

**Auditor of State  
Betty Montgomery**



CITY OF MANSFIELD  
RICHLAND COUNTY

TABLE OF CONTENTS

<b>TITLE</b>	<b>PAGE</b>
Independent Accountants' Report on Compliance and on Internal Control Internal Control Required by <i>Government Auditing Standards</i> .....	1
Independent Accountants' Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133.....	3
Schedule of Receipts and Expenditures of Federal Awards .....	5
Notes to the Schedule of Receipts and Expenditures of Federal Awards .....	7
Schedule of Findings and Questioned Costs .....	9
Schedule of Prior Audit Findings and Questioned Costs .....	13
Corrective Action Plan .....	14

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

City of Mansfield  
Richland County  
30 N. Diamond Street  
Mansfield, Ohio 44902

To the Honorable Mayor and Members of City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Mansfield, Richland, Ohio, (the City) as of and for the year ended December 31, 2003, which collectively comprises the City's basic financial statements and have issued our report thereon dated August 27, 2004. The City implemented a new financial reporting model as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* and the City adjusted capital assets for donated water and sewer lines from developers. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could directly and materially affect determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that we must report under *Government Auditing Standards* which are described in the accompanying Schedule of Findings and Questioned Costs as items 2003-001 and 2003-002.

We also noted immaterial instances of noncompliance that we have reported to the City's management in a separate letter dated August 27, 2004.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City's ability to record, process, summarize and report financial data consistent with management's assertions in the financial statements. A reportable condition is described in the accompanying Schedule of Findings and Questioned Costs as item 2003-003.

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A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we do not believe the reportable condition described above is a material weakness.

We also noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to the City's management in a separate letter dated August 27, 2004.

This report is intended for the information and use of the Audit Committee, management, City Council, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

August 27, 2004



**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

City of Mansfield  
Richland County  
30 N. Diamond Street  
Mansfield, Ohio 44902

To the Honorable Mayor and Members of City Council:

**Compliance**

We have audited the compliance of the City of Mansfield, Richland County, Ohio, (the City) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2003. The City's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2003. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2003-004.

We also noted certain instances of noncompliance that do not require inclusion in this report that we have reported to management of the City in a separate letter dated August 27, 2004.

### **Internal Control Over Compliance**

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

However we noted other matters involving the internal control over federal compliance that do not require inclusion in this report, that we have reported to management of the City in a separate letter dated August 27, 2004.

### **Schedule of Receipts and Expenditures of Federal Awards**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of and for the year ended December 31, 2003, which collectively comprises the City's basic financial statements, and have issued our report thereon dated August 27, 2004. The City implemented a new financial reporting model as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* and the City adjusted capital assets for donated water and sewer lines from developers. Our audit was performed for the purpose of forming opinions on the basic financial statements taken as a whole. The accompanying Schedule of Receipts and Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, it is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information and use of the Audit Committee, management, City Council, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



**Betty Montgomery**  
Auditor of State

August 27, 2004



**CITY OF MANSFIELD  
RICHLAND COUNTY**

**SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Pass Through Entity Number	Grant/ Project Number	Receipts	Expenditures
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>					
<i>Direct Programs:</i>					
Community Development Block Grants/Entitlement Grants	14.218	N/A	CB-97-MC-39-0017	\$4,450	\$4,450
			CB-98-MC-39-0017	\$5,000	\$5,000
			CB-99-MC-39-0017	671	492
			CB-00-MC-39-0017	8,757	8,757
			CB-01-MC-39-0017	190,017	186,189
			CB-02-MC-39-0017	459,394	455,474
			CB-03-MC-39-0017	511,923	511,534
Total Community Development Block Grants/Entitlement Grants				<u>1,180,212</u>	<u>1,171,896</u>
HOME Investment Partnerships Program	14.239	N/A	M-98-MC-39-0221	106,136	103,953
			M-99-MC-39-0221	75,531	75,586
			M-00-MC-39-0221	61,309	52,520
			M-01-MC-39-0221	199,795	208,255
			M-02-MC-39-0221	98,766	120,056
			M-03-MC-39-0221	37,927	37,950
Total HOME Investment Partnerships Program				<u>579,464</u>	<u>598,320</u>
Total U.S. Department of Housing and Urban Development				1,759,676	1,770,216
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>					
<i>Direct Programs:</i>					
Local Law Enforcement Block Grants Program	16.592	N/A	2000LBVX2213	0	17,055
			2001LBVX2213	0	66,338
			2002LBVX2213	0	12,348
Total Local Law Enforcement Block Grants Program				<u>0</u>	<u>95,741</u>
Bulletproof Vest Partnership Program	16.607	N/A	Not Available	0	3,825
<i>Passed Through the National Police Athletic League, Inc.:</i>					
Juvenile Justice and Delinquency Prevention - Special Emphasis Division	16.510	N/A	2002-MU-MU-0010	29,500	29,500
<i>Passed through the Ohio Department of Youth Services:</i>					
Juvenile Justice and Delinquency Prevention Allocation to States	16.540	Not Available	2000-JV-T50-5032	47,605	47,605
<i>Passed through the Ohio Bureau of Criminal Identification &amp; Investigation, Office of the Attorney General:</i>					
National Institute of Justice Research, Evaluation and Development Project Grants	16.560	Not Available	Not Available	25,204	20,440
Crime Laboratory Improvement Combined Offender DNA Index System Backlog Reduction	16.564	Not Available	2002-DN-BX-K009	51,500	29,194
<i>Passed through the Ohio Attorney General's Office:</i>					
Crime Victim Assistance	16.575	Not Available	2003-VAGENE019	17,372	17,372
			2003-VAGENE557	15,498	15,498
			2004-VAGENE019	8,686	8,686
			2004-VAGENE557	7,748	7,748
Total Crime Victim Assistance				<u>49,304</u>	<u>49,304</u>
<i>Passed through the Office of Criminal Justice Services:</i>					
Byrne Formula Grant Program	16.579	Not Available	01-DG-A01-7008	58,670	38,319
			02-DG-A01-7008	114,277	144,533
			01-DG-F01-7031	24,764	19,529
			02-DG-F01-7031	65,920	85,299
			01-DG-H01-7602	76,500	76,500
Total Byrne Formula Grant Program				<u>340,131</u>	<u>364,180</u>
Total U.S. Department of Justice				543,244	639,789

CITY OF MANSFIELD  
RICHLAND COUNTY

SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2003

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Pass Through Entity Number	Grant/ Project Number	Receipts	Expenditures
<b><u>U.S. DEPARTMENT OF LABOR</u></b>					
<i>Passed through the Ohio Department of Job &amp; Family Services:</i>					
<i>Passed through Morrow-Ashland-Richland-Crawford Job Training Office:</i>					
WIA Youth Activities	17.259	Not Available	01/01/03 - 06/30/03 07/01/03 - 12/31/03	47,684 <u>82,927</u> 130,611	47,684 <u>82,927</u> 130,611
<i>Passed through the Ohio Department of Jobs &amp; Family Services:</i>					
<i>Passed through the Richland County Department of Jobs &amp; Family Services:</i>					
WIA Youth Activities	17.259	Not Available	01/01/03 - 06/30/03 07/01/03 - 12/31/03	491,368 <u>102,087</u> <u>593,455</u>	433,395 <u>126,419</u> <u>559,814</u>
Total U.S. Department of Labor/WIA Youth Activities				724,066	690,425
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>					
<i>Direct Program:</i>					
Airport Improvement Program	20.106	N/A	3-39-0049-16-99 3-39-0049-17-01	0 <u>319,017</u> 319,017	9,611 <u>412,741</u> 422,352
Total Airport Improvement Program				319,017	422,352
<i>Passed through the Ohio Department of Public Safety - The Governor's Highway Safety Office:</i>					
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.601	Not Available	2003-SC-N/1 2004-PT-MN/1	5,662 <u>0</u> <u>5,662</u>	19,949 <u>3,994</u> <u>23,943</u>
Total Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants				5,662	23,943
Total U.S. Department of Transportation				324,679	446,295
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>					
<i>Passed through the Ohio Department of Education:</i>					
Early Reading First	84.359	Not Available	Not Available	<u>255,339</u>	<u>255,339</u>
Total U.S. Department of Education				255,339	255,339
Total				<u>\$3,607,004</u>	<u>\$3,802,064</u>

The notes to the Schedule of Receipts and Expenditures of Federal Awards are an integral part of this schedule.

**CITY OF MANSFIELD  
RICHLAND COUNTY**

**NOTES TO SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Receipts and Expenditures of Federal Awards (the Schedule) summarizes activity of the City's federal award programs. The Schedule has been prepared on the cash basis of accounting, except expenditures of assistance passed through the Ohio Department of Jobs & Family Services Workforce Investment Act which are presented on an accrual basis.

**NOTE B - SUBRECIPIENTS**

The City passes through certain Federal assistance received from the U.S. Department of Housing and Urban Development and U.S. Department of Labor to other governments or not-for-profit agencies (subrecipients). As described in Note A, the City records expenditures of federal awards to subrecipients when paid in cash, except expenditures paid to Workforce Investment Act subrecipients are recorded on an accrual basis.

The subrecipient agencies have certain compliance responsibilities related to administering these Federal Programs. Under Federal Circular A-133, the City is responsible for monitoring subrecipients to help assure that Federal awards are used for authorized purposes in compliance with laws, regulations and the provisions of contracts or grant agreements, and the performance goals are achieved.

**NOTE C - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAM**

The City has established a revolving loan program to provide low-interest loans to businesses to create jobs for persons from low-moderate income households and to eligible persons and to rehabilitate homes. The U.S. Department of Housing and Urban Development (HUD) grants money for these loans to the City. The initial loan of this money is recorded as an expenditure on the accompanying Schedule. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as expenditures on the Schedule.

These loans are collateralized by the assets of the businesses. At December 31, 2003, the gross amount of loans outstanding was \$2,097,772 in Community Development Block Grant Loans; \$713,260 in Economic Development Loans; \$19,492 in Urban Development Action Grant Loans; and \$243,368 in Industrial Development Loans. Delinquent amounts due are \$170,102. During 2003, the City forgave \$127,336 in payments. The City has an allowance for doubtful accounts of \$125,966 at December 31, 2003.

**NOTE D - WORKFORCE INVESTMENT ACT ATTACHMENT SCHEDULES**

The City had no variances between Ohio Job & Family Services and the audit report figures to disclose; therefore, a Schedule of Variances is not included. The City had no program income; therefore, a Schedule of Program Income is not included. The City had no stand-in costs; therefore, a Schedule of Stand-in Costs is not included.

**NOTE E - MATCHING REQUIREMENTS**

Certain Federal programs require that the City contribute non-Federal funds (matching funds) to support the federally funded programs. The City has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.

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CITY OF MANSFIELD  
RICHLAND COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 §.505  
DECEMBER 31, 2003

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	<b>Type of Financial Statement Opinion</b>	Unqualified
<i>(d)(1)(ii)</i>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(ii)</i>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	Yes
<i>(d)(1)(iii)</i>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	Yes
<i>(d)(1)(iv)</i>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	No
<i>(d)(1)(v)</i>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<i>(d)(1)(vi)</i>	<b>Are there any reportable findings under § .510?</b>	Yes
<i>(d)(1)(vii)</i>	<b>Major Programs (list):</b>	CFDA #14.239 – HOME Investment Partnership Program CFDA #16.579 – Byrne Formula Grant CFDA #17.259 – Workforce Investment Act – WIA Youth Activities CFDA #20.106 – Airport Improvement Program
<i>(d)(1)(viii)</i>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	<b>Low Risk Auditee?</b>	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

**Noncompliance**

**FINDING NUMBER 2003-001**

**Ohio Rev. Code Section 5705.10** requires that money paid into any fund shall be used only for the purposes for which such fund is established. Ohio Rev. Code Section 5705.10 further requires all revenue derived from a specific source to be credited to a special fund for the purpose for which the monies were received.

Inter-fund cash advances may be a desirable method of resolving cash flow problems without the necessity of incurring additional interest expense for short-term loans and to provide the necessary "seed" for grants that are allocated on a reimbursement basis. However, the intent for this type of cash advance is to require repayment within the current or succeeding year. Inter-fund cash advances are subject to the following requirements:

- Any advance must be clearly labeled as such, and must be distinguished from a transfer. Transfers are intended to reallocate money permanently from one fund to another and may be made only as authorized in Sections 5705.14 to 5705.16 of the Revised Code. Advances, on the other hand, are intended to temporarily reallocate cash from one fund to another and involve an expectation of repayment;
- In order to advance cash from one fund to another, there must be statutory authority to use the money in the fund advancing the cash (the "creditor" fund) for the same purpose for which the fund receiving the cash (the "debtor" fund) was established;
- The reimbursement from the debtor fund to the creditor fund must not violate any restrictions on use of the money to be used to make the reimbursement; and
- Advances must be approved by a formal resolution of the taxing authority of the subdivision which must include:
  - a specific statement that the transaction is an advance of cash, and
  - an indication of the money (fund) from which it is expected that repayment will be made.

During the year, the Sewer Enterprise Fund advanced \$980,000 to the Health Insurance Internal Service Fund. There is no statutory authority to use Sewer Fund money to pay health insurance claims for other funds. This advance should have been made from the General Fund. The financial statements have been adjusted to reflect this advance from the General Fund rather than the Sewer Fund.

We recommend the City first consider the restrictions on inter-fund cash advances prior to advancing monies. If monies are not available in those funds which may meet the inter-fund cash advance restrictions, then the City should consider other alternatives.

Management should refer to Auditor of State Bulletin 97-003 for guidance when considering inter-fund cash advances.

**Noncompliance (continued)**

**FINDING NUMBER 2003-002**

**Ohio Rev. Code Section 5705.10** requires that monies paid into any fund be used only for the purposes for which such fund is established. As a result, a negative fund balance indicates that money from one fund was used to cover the expenses of another fund. Although the City had no negative cash fund balances at December 31, 2003, the City had negative cash fund balances in the following funds during the fiscal year:

Special Revenue Grant Fund (Fund #224)	\$308,634
Internal Service Health Insurance (Fund #606)	\$72,021 - \$670,342
Agency Transient Occupancy Tax Fund (Fund #808)	\$909 - \$13,636

Negative cash fund balances are an indication that revenues from other sources were used to pay obligations of these funds. Fund activity should be monitored to prevent future expenditures in excess of available resources. In those cases where additional funds are required, the resources should either be transferred or advanced to the fund in accordance with the Ohio Revised Code. Management should refer to Auditor of State Bulletin 97-003 for guidance when considering inter-fund cash advances.

**Reportable Condition**

**FINDING NUMBER 2003-003**

**Motor Pool Vehicle/Equipment Account**

During 2002, the City established a Motor Pool Vehicle/Equipment Account in the Repair Garage Internal Service Fund to provide funding available for the purchase and replacement of all non-safety motor vehicles and equipment. The City transferred \$136,160 into this account from various funds; however, the City does not have a formal written plan for funding this account. Legal issues could arise regarding the advance funding of an internal service fund for the purpose of future purchases of capital assets. In addition, there may be restrictions on using money from certain grant funds or other restricted funds.

During 2003, the City transferred an additional \$250,000 from the Water Enterprise Fund to this account, \$125,000 of which was after the release of the December 31, 2002 audit report.

Before significant activity is accounted for in this fund, we recommend the City review and consider implementing the guidance in Ohio Rev. Code Section 5705.13(C) regarding establishment of a capital projects fund. At a minimum, the City should establish a formal written plan which should include the account's funding, purpose, intent, and function. In addition, the City should consult with its Law Director in preparing this plan to consider any legal issues.

Failure to address this matter increases the risk the City will initiate transactions related to restricted funds that are later determined to be unallowable.

We reported a similar matter in our management letter of the December 31, 2002 audit of the financial statements.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

**Noncompliance Finding and Questioned Cost**

<b>Finding Number</b>	2003-004
<b>CFDA Title and Number</b>	HOME Investment Partnership Program #14.239
<b>Federal Award Number / Year</b>	M-98-MC-39-0221 – 1998 M-99-MC-39-0221 – 1999 M-00-MC-39-0221 – 2000 M-01-MC-39-0221 – 2001
<b>Federal Agency</b>	U.S. Department of Housing and Urban Development
<b>Pass-Through Agency</b>	N/A – Direct Program

**24 C.F.R. Section 92.64(a)(2)(i)** states, in part, that HUD will recapture HOME funds in the HOME Treasury account by the amount of: **(A)** any funds that are not committed within 24 months after the last day of the month in which HUD notifies the insular area of HUD’s execution of the HOME Investment Partnership Agreement; **(B)** any funds that are not expended within five years after the last day of the month in which HUD notifies the insular area of HUD’s execution of the HOME Investment Partnership Agreement; and **(C)** and penalties assessed by HUD under Sec. 92.552.

Of the items tested for availability, 53% were not obligated within the 24 months of the approval of the respective HOME Grants. These items resulted in a known questioned costs of \$258,053 and projected questioned costs of \$308,880.

The failure to obligate the funds within the available period could result in the forfeiture of federal funding, and grantor agencies may require repayment of amounts obligated outside the available period.

The City must monitor the grant budgets to ensure that all funds are obligated within the available period.



**CITY OF MANSFIELD  
RICHLAND COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 §.315 (b)  
FOR THE YEAR ENDED DECEMBER 31, 2003**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain:</i></b>
2002-001	Ohio Rev. Code Section 5705.10, the City had negative fund balances in May and October 2002 in several funds	No	Not corrected. Repeated as Finding #2003-002
2002-002	24 C.F.R. Section 92.64(a)(2)(i) – HOME funds not obligated within the period of availability.	No	Not Corrected. Repeated as Finding #2003-004
2002-003	HUD's "Building HOME, A Home Program Primer" Chapter 10 "Monitoring – subrecipient monitoring.	Yes	Finding no longer valid, City's Community Development Department has implemented monitoring policies and procedures.

**CITY OF MANSFIELD  
RICHLAND COUNTY**

**CORRECTIVE ACTION PLAN  
OMB CIRCULAR A -133 §.315 (c)  
DECEMBER 31, 2003**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2003-004	We will improve monitoring controls over purchasing procedures to determine if obligations are within the period of availability.	Immediately	Cindy Baker

# **City of Mansfield, Ohio**



**Comprehensive Annual Financial Report  
For The Year Ended December 31, 2003**



City of Mansfield, Ohio  
Comprehensive Annual Financial Report  
For the Year Ended December 31, 2003

Prepared By  
Department of Finance

Sandra L. Converse  
Director of Finance

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## **Introductory Section**





**CITY OF MANSFIELD, OHIO**  
**BASIC FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**TABLE OF CONTENTS**

<b>I. Introductory Section</b>	<b>Page</b>
Title Page	
Table of Contents .....	I
Letter of Transmittal .....	V
Certificate of Achievement in Financial Reporting .....	X
List of Principal Officials .....	XI
Organizational Chart .....	XII
<b>II. Financial Section</b>	
Independent Accountants' Report .....	1
Management's Discussion and Analysis .....	3
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Assets .....	17
Statement of Activities .....	18
Fund Financial Statements:	
Balance Sheet - Governmental Funds .....	20
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities .....	22
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds .....	24
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	26
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)	
General Fund .....	27
Community Development Fund .....	28
Safety Services Fund .....	29
Statement of Net Assets - Proprietary Funds .....	30

Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds .....	31
Statement of Cash Flows - Proprietary Funds .....	32
Statement of Fiduciary Net Assets - Fiduciary Funds .....	34
Notes to the Basic Financial Statements .....	35
 Combining Statements and Individual Fund Schedules	
Combining Statements – Nonmajor Funds	
Fund Descriptions – Nonmajor Governmental Funds .....	69
Combining Balance Sheet – Nonmajor Governmental Funds .....	71
Combining Balance Sheet – Nonmajor Special Revenue Funds .....	72
Combining Balance Sheet – Nonmajor Capital Projects Funds .....	75
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds .....	77
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds .....	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds .....	81
Fund Descriptions – Nonmajor Enterprise Funds .....	82
Combining Statement of Net Assets – Nonmajor Enterprise Funds .....	83
Combining Statement of Revenues, Expenses and Changes in Net Assets – Nonmajor Enterprise Funds .....	84
Combining Statement of Cash Flows - Nonmajor Enterprise Funds .....	85
Fund Descriptions – Internal Services Funds .....	87
Combining Statement of Net Assets – Internal Services Funds .....	88
Combining Statement of Revenues, Expenses and Changes in Net Assets – Internal Service Funds .....	90
Combining Statement of Cash Flows – Internal Services Funds .....	92
Fund Descriptions – Fiduciary Funds .....	94
Combining Statement of Assets and Liabilities - All Agency Funds .....	95

Individual Fund Schedules of Revenues, Expenditures/Expenses, and Changes in Fund Balance/Equity – Budget and Actual (Non-GAAP Budgetary Basis):

Major Funds:	
General Fund .....	100
Community Development Fund .....	104
Safety Services Fund .....	105
Justice Center Fund .....	106
Water Fund .....	107
Sewer Fund .....	108
Nonmajor Funds:	
Street Construction, Maintenance and Repair Fund .....	109
State Highway Fund .....	110
Neighborhood Youth Corp Fund .....	111
Drug Law Enforcement Fund .....	112
Law Enforcement Fund .....	113
Permissive Sales Tax Fund .....	114
Industrial Development Fund .....	115
Indigent Drivers Alcohol Treatment Fund .....	116
Court Computerization Fund .....	117
Local Law Enforcement Block Grant Fund .....	118
Grant Fund .....	119
Probation Services Fund .....	120
Court Costs Fund .....	121
Debt Service Fund .....	122
Street Resurfacing Fund .....	123
Issue II Improvement Fund .....	124
1998 Improvement Fund .....	125
Section 108 Improvement Fund .....	126
Airport Operating Fund .....	127
Parking Garage Fund .....	128
Garage Operating Fund .....	129
Data Processing Fund .....	130
Utility Collections Fund .....	131
Health Insurance Fund .....	132
OML Self Insurance Fund .....	133
Workers' Compensation Fund .....	134

**III. Statistical Section**

General Governmental Expenditures by Function .....	136
General Governmental Revenues by Source .....	137
Real Property Taxes – Billed and Collected .....	138
Tangible Personal Property Taxes – Billed and Collected .....	139
Assessed Value and Estimated True Value of Taxable Property .....	140
Property Tax Rates – Direct and Overlapping Governments .....	142

Special Assessment Billings and Collections .....	143
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita .....	144
Computation of Legal Debt Margin – December 31, 2003 .....	146
Computation of Direct and Overlapping General Obligation Bonded Debt – December 31, 2003 .....	148
Ratio of Annual Debt Principal and Interest Expenditures for General Obligation Bonded Debt to Total General Governmental Expenditures .....	149
General Obligation and Revenue Bond Coverage - Water and Sewer Bonds .....	150
Demographic Statistics – December 31, 2003 .....	151
Property Value, Construction and Bank Deposits .....	152
Real and Tangible Personal Property – Principal Taxpayers – December 31, 2003 .....	153
Miscellaneous Statistics – December 31, 2003 .....	154

# *CITY OF MANSFIELD*

30 N. Diamond St.  
Mansfield, Ohio 44902

*SANDRA CONVERSE • FINANCE DIRECTOR*

Phone (419) 755-9781  
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August 27, 2004

Citizens of Mansfield  
Mayor Lydia Reid  
Members of Council  
City of Mansfield, Ohio

As the Finance Director for the City of Mansfield (the "City"), I am pleased to present the Comprehensive Annual Financial Report (CAFR) of Mansfield, Ohio for the year ended December 31, 2003. The report has been prepared for the citizens of Mansfield, the elected officials, bondholders, the investment community, rating agencies, and all persons interested in the financial affairs of the City. This report includes the City's implementation of accounting principles generally accepted in the United States of America (GAAP) set forth by the Governmental Accounting Standards Board (GASB) and other authoritative sources, and the guidelines set by the Government Finance Officers Association (GFOA). GASB No. 14 was used in evaluating how to define the City for financial reporting purposes. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations which have a significant relationship with the City that by excluding them would cause the financial statements to be misleading. Note 2A further discusses the reporting entity.

Responsibility for the accuracy of all data presented, its completeness and fairness of presentation rests with the Finance Director. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City of Mansfield.

The CAFR provides the taxpayers of Mansfield with financial data in a format which enables them to gain a true understanding of the City's financial affairs. The CAFR is divided into three sections: an Introductory Section, a Financial Section, and a Statistical Section. The Introductory Section includes the table of contents, this letter of transmittal, the GFOA Certificate of Achievement, a list of principal officials, and the City's organizational chart. The Financial Section includes the Independent Accountants' Report, Management's Discussion and Analysis, the Basic Financial Statements, Notes to the Basic Financial Statements, Combining Statements and Individual Fund Schedules, the Individual Fund Schedules of Revenues, Expenditures/Expenses, and Changes in Fund Balance/Equity - Budget and Actual (Non-GAAP Budgetary Basis). The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

## OVERVIEW AND INTRODUCTION TO THE CITY

The City of Mansfield is located in Richland County in north central Ohio, approximately 65 miles northeast of the City of Columbus and 75 miles southwest of the City of Cleveland. It has a population of 51,600, is the county seat, and is the county's largest city. The City is an important industrial and marketing center located strategically between Cleveland and Columbus. It is the largest populated city between the two cities off Interstate 71 making it a desirable crossroads for business.

The Miss Ohio Pageant is held in Mansfield each June. The pageant is a source of community wide support and pride, from the Miss Ohio festival, parade, and to the crowning of Miss Ohio at the historic grand Renaissance Theater, a 1920's grand baroque theater.

The downtown Richland Carrousel Park provides entertainment for children and adults. Other local entertainment options include theatrical productions at the Mansfield Playhouse, shows at the Mansfield Art Center, and classes at the Richland Academy of Arts and Sciences. The Mansfield Motorsports Speedway, north of town, is a fast-growing racetrack that will host its first NASCAR event in 2004, the Craftsman Truck Series. There has not been a NASCAR event in Ohio in 50 years. Mansfield has 28 parks covering 435 acres. Those looking for exercise can try bicycling or in-line skating on the 18 mile B&O Bike Trail, which begins at North Lake Park in the City, running south through Lexington.

Mansfield is also home to North Central State College and a branch campus of The Ohio State University. The two schools share the campus in Mansfield.

#### ECONOMIC CONDITION AND OUTLOOK

Staying with an aggressive economic development position, Mansfield again focused efforts in 2003 to development possibilities. The City was able to assist 21 companies in 2003. The involvement of the City of Mansfield was crucial to ensure that the companies not only stayed in business through tough economic times, but were able to take advantage of opportunities for growth. Revolving loan funds totaling \$561,936 were granted which have leveraged approximately \$3,200,000 in additional investments in new and existing projects creating 162 jobs.

MedCentral Health Systems has been a major contributor for the City as they invest millions of dollars each year in their facilities. In the last five years, employment attributed to MedCentral Mansfield increased by 473 people, a 26% increase. Since the opening of their open heart wing in May of 1998 and the opening of their Health and Fitness Center in January of 1999, MedCentral continues to impact Mansfield greatly.

Six companies moved into the Airport Industrial Parks during 2003. Applied Graphics Inc., Blevins Fabricating, Breitingner Company, D.A. International Inc., FritoLay, and 4CM Inc. creating 90 new full time jobs. In addition, four expansion projects were completed by existing companies which will create 58 new full time jobs over the next two years

In March of 2003, the City of Mansfield applied for and was awarded a grant in the amount of \$504,000 from the Clean Ohio Assistance Fund to assist with the balance of the remediation at the former Ohio Brass site. Upon completion of the final remediation at this site, we will apply for a "No Further Action" (NFA) and "Covenant not to Sue" from the Ohio EPA.

Crane Plumbing has completed their plan for renovation of the second building of the former Johnson Controls brownfield site and plans to complete the renovations by the end of 2004.

Citation Corporation donated the former Mansfield Foundry property to the City in May of 2003. Plans at present are to apply for Clean Ohio Assistance Funds which will be used to complete Phase 2 Environmental Assessments to Voluntary Action Program Standards.

Other 2003 new project highlights are as follows:

- 1) Newman Technology completed a 120,000 square foot warehouse and distribution center at Sawyer Industrial Park. Although no new jobs were expected at the present, the project has freed up space in their local production facilities that will accommodate future expansion.
- 2) Infocision opened their second new telecommunications center on Park Avenue West that will create an additional 50 to 75 new jobs over the next year. Their investment was approximately \$550,000.
- 3) Applied Graphics Inc. completed construction of a new 8,000 square foot facility at Sawyer Industrial Park and will create 10 jobs over the next year. Their investment was approximately \$600,000.

- 4) Ohio Valley Manufacturing expanded their operations with the purchase and installation of additional production equipment. This will create an additional 20 new jobs over the next two years. Their investment was approximately \$1,970,000.
- 5) Jay Industries completed construction of a 25,000 square foot addition at their East Longview facility and installed new production equipment that will assist them in the retention of 20 employees. Their investment was approximately \$7,380,000.
- 6) Milark Industries completed construction of a new 20,000 square foot building on their Airport South Road property which will house a new division formed during 2002. The project includes the purchase of new manufacturing equipment. The investment was approximately \$2,400,000.
- 7) Krogers began the demolition of a portion of the Kingsgate Mall to prepare for the construction of their new superstore. Construction is planned to begin in February of 2004 and be completed by November of 2004. This project will create 120 new jobs and their investment will be approximately \$8,850,000.

### MAJOR INITIATIVES

The Mansfield Alliance continues to move forward with the Revitalization Plan, presented in March of 2003, for the downtown and the Miracle Mile business area. Buildings are being renovated around the downtown square and the prospect of new businesses in the area are promising. The Miracle Mile partners are working very hard to restore the "Mile" to its former importance. The building of the new Kroger store on the site of the former Kingsgate Mall is a huge boost to the area and promises to be the catalyst that will bring other retail to the area.

The Route 30 expansion and improvement through the City will continue into 2004. The State finally gave high priority to this long overdue project. Although there will be construction delays and detours with the resulting frustration, the end result will be well worth it.

North Lake Park improvements will get underway this year and restore one of our oldest parks to its former glory.

### FINANCIAL INFORMATION

#### Basis of Accounting

Except for budgetary purposes, the basis of accounting used by the City conforms to GAAP as applicable to governmental units and is consistent with GASB Cod. Sec. 1600, *Basis of Accounting*. All governmental funds are accounted for using a current financial resources-current asset and current liabilities-measurement focus. The modified accrual basis of accounting is utilized for governmental funds. Revenues are recognized when they are susceptible to accrual (both measurable and available). Expenditures are recognized when the related liability is incurred, except for interest on long-term debt which is recorded when due.

The measurement focus on the City's proprietary funds is on the flow of total economic resources (all assets and liabilities). The accrual basis of accounting (revenues are recognized when earned and expenses when incurred) is utilized by the City in its proprietary and agency funds.

The City's basis of accounting for budgetary purposes differs from GAAP in that revenues are recognized when received, rather than when susceptible to accrual (measurable and available for governmental funds), and encumbrances are included as expenditures in the budgetary statements.

For the year ended December 31, 2003, the City has changed its financial reporting to comply with GASB #34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. The government-wide financial statements, including governmental activities, in order to comply with GASB #34, are presented on the full accrual basis of accounting. As part of this new reporting model, management is responsible for preparing a management's discussion and analysis. This discussion follows the independent accountants' report,

providing an assessment of the City's finances for 2003. Accounting policies are further explained in Note 2 to the basic financial statements.

#### Internal Controls

Development of the City's accounting system included consideration of the internal control structure. The internal control structure is designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or deposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes the cost of a control should not exceed the benefits likely to be derived from its implementation and that the evaluation of costs and benefits requires estimates and judgments by management.

#### Budgetary Controls

Budgetary control is maintained by the encumbrance of purchase amounts prior to the release of purchase orders to vendors. Purchase orders are not issued when insufficient appropriations preclude the encumbrance of the amount of the purchase. Each department manager is furnished a monthly report showing the status of the budget account for which he/she is responsible. The report details monthly transactions and summarizes the budget balance available to be spent for goods and services.

#### CASH MANAGEMENT

The City had deposits of \$10,222,567 as of December 31, 2003. The City Finance Director invests inactive funds in commercial banks and savings and loan certificates of deposit and instruments guaranteed by the U.S. Government and its agencies. Active City funds are invested in commercial interest bearing bank accounts. Investment of City funds is made in order to preserve capital in the overall portfolio and to ensure sufficient liquidity to enable the City to meet reasonably anticipated operating requirements.

The City pools its cash for investment purposes to capture the highest return. The investment income in 2003 totaled \$629,575. The notes to the basic financial statements provide additional information regarding investments.

#### RISK MANAGEMENT

The City of Mansfield is a member of the Ohio Municipal League Joint Self-Insurance Pool. The self insured pool covers general liability with a \$10,000 deductible, public officials liability with a \$15,000 deductible, building and contents/boiler & machinery and inland marine with a \$1,000 deductible, law enforcement liability with a \$10,000 deductible, and vehicle liability with no deductible. All other liability claims are uninsured. The City budgets yearly for these claims and is therefore self funded. The City is also self insured for employee health and dental insurance.

A third party administrator reviews all claims and submits a bill to the City for the amount of the claims and an administrative fee. Workers' compensation insurance is paid to the State based on an experience rate times current year payroll. Note 14 discusses further the area of risk management.

#### INDEPENDENT AUDIT

An audit team from Auditor of State, Betty Montgomery's office has performed the City's 2003 audit. The results of their audit are disclosed in the Independent Accountants' Report included in the Financial Section. The Auditor



of State has expressed an unqualified opinion on the Basic Financial Statements. The City also had a "single audit", which includes all federally funded programs administered by the City, performed for 2003 by Auditor of State, Betty Montgomery's office. Congressional legislation made the "single audit" program mandatory for most local governments, including the City of Mansfield. This mandate began in 1985 as a requirement for federal funding eligibility. Information related to this audit, including the Schedule of Receipts and Expenditures of Federal Awards and the combined report on internal control and compliance, are published in a separate report package.

#### AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Mansfield, Ohio, for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2002. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR). The contents of this report must conform to program standards and must satisfy both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for one year only. The City of Mansfield has received a Certificate of Achievement for the last eighteen years (years ended 1985-2002). We believe our current report continues to conform to Certificate of Achievement program requirements, and we are submitting it to the Government Finance Officers Association of the United States and Canada (GFOA) to determine its eligibility for another certificate.

#### ACKNOWLEDGEMENTS

A special thank you to Debra A. Keller who prepared the CAFR for 2003. Also, I would like to thank all of the Finance and Income Tax office staff whose dedicated effort makes this report possible.

I would like to extend a sincere appreciation to Trimble, Julian & Grube, Inc. for their guidance and constructive assistance.

Finally, appreciation to the City Administration, department heads, and employees who have contributed in the effort to achieve excellence in financial reporting.

  
Sandra Converse  
Finance Director

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Mansfield,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2002

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President



Executive Director

**CITY OF MANSFIELD, OHIO**

**PRINCIPAL OFFICIALS  
DECEMBER 31, 2003**

**ELECTED OFFICIALS**

**EXECUTIVE:**

Mayor .....Lydia J. Reid  
Director of Finance .....Sandra L. Converse  
Director of Law ..... David L Remy  
Municipal Court Judge .....Jeff Payton  
Municipal Court Judge.....Jerry E. Ault  
Clerk of Court .....Gene E. Coffey

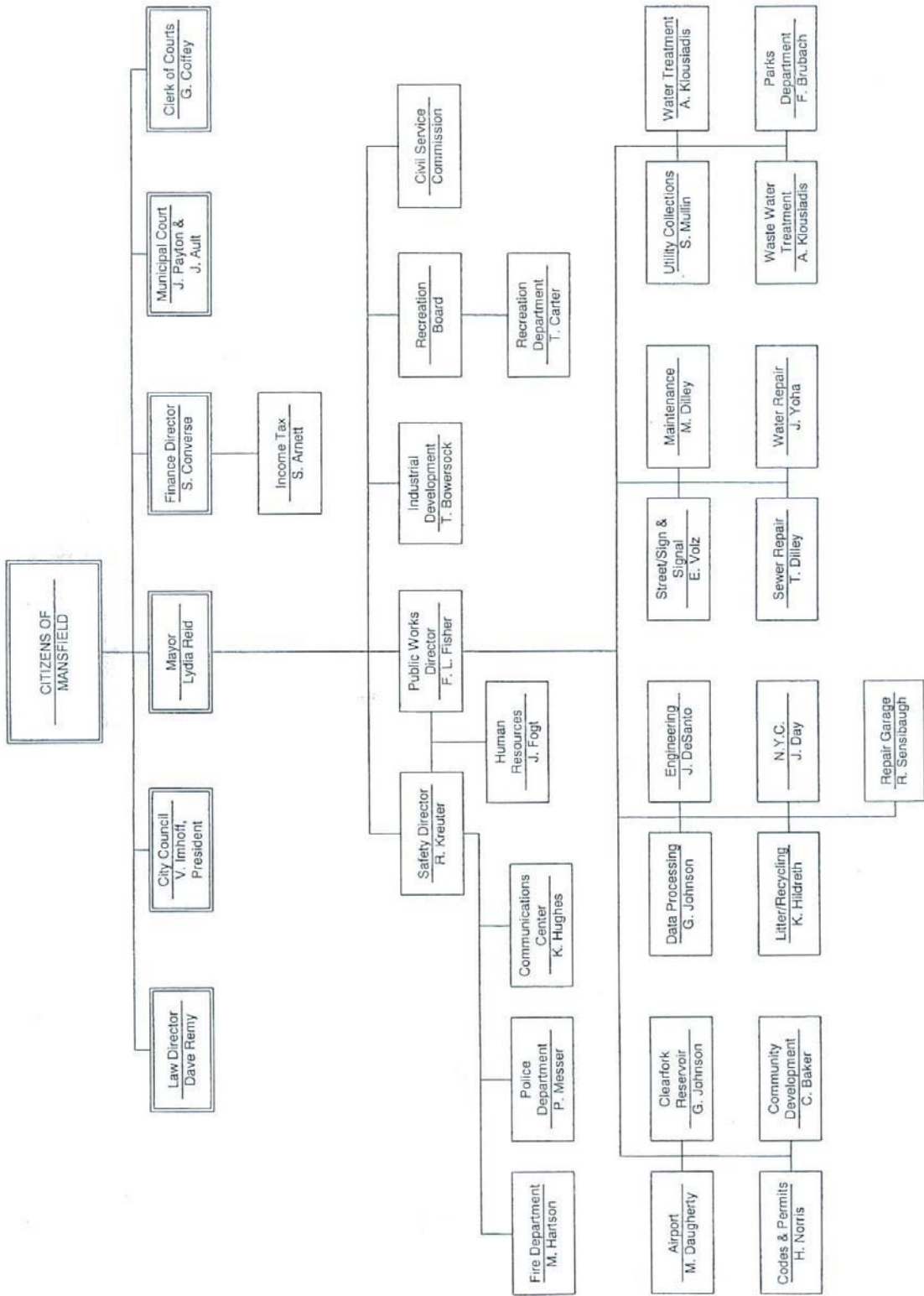
**LEGISLATIVE:**

President of Council ,..... Virginia M. Imhoff  
Council Members  
    Ward 1 .....Douglas P. Versaw  
    Ward 2 .....C. David Robinson  
    Ward 3 .....Darren B. Jackson  
    Ward 4 .....Walden A. Jefferson  
    Ward 5 .....Deanna Torrance  
    Ward 6 .....Gary L. Utt  
    At Large .....Donald R. Culliver  
    At Large .....Michael N. Hill

**APPOINTED OFFICIALS**

Director of Public Works .....Francis L. Fisher  
Director of Service and Safety .....Ronald S. Kreuter  
Director of Industrial Development .....Timothy R. Bowersock  
Chief of Police .....Philip Messer  
Chief of Fire .....Michael L. Hartson

The present terms of the executive branch and the President of Council will expire November 30, 2007. The present terms of the legislative branch will expire November 30, 2005 or November 30, 2007. All members of Council serve a four year term. All appointed officials serve at the pleasure of the Mayor.



## **Financial Section**





**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

City of Mansfield  
Richland County  
30 N. Diamond Street  
Mansfield, Ohio 44902

To the Honorable Mayor and Members of City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Mansfield, Richland County, Ohio, (the City) as of and for the year ended December 31, 2003, which collectively comprises the City's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2003, and the respective changes in the financial position and cash flows, where applicable, and the respective budgetary comparison for the General, Community Development, and Safety Services funds thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during the year ended December 31, 2003, the City implemented a new financial reporting model, as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* and the City adjusted capital assets for donated water and sewer lines from developers.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 27, 2004, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to form opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining nonmajor fund statements and schedules and statistical tables are presented for additional analysis and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, based on our audit, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the Introductory and Statistical Sections to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



**Betty Montgomery**  
Auditor of State

August 27, 2004



## CITY OF MANSFIELD, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2003 UNAUDITED

The discussion and analysis of the City of Mansfield's (the "City") financial statement provides an overall review of the City's financial activities for the year ended December 31, 2003. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements, and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

#### Financial Highlights

Key financial highlights for 2003 are as follows:

- The total net assets of the City increased \$1,421,075. Net assets of governmental activities increased \$1,577,243 or 2.55% over 2002 and net assets of business-type activities decreased \$156,168 or 0.32% from 2002.
- General revenues accounted for \$31,339,860 of total governmental activities revenue. Program specific revenues accounted for \$11,205,618 or 26.34% of total governmental activities revenue.
- The City had \$41,124,960 in expenses related to governmental activities; \$11,205,618 of these expenses was offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$29,919,342 were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$31,339,860.
- The City's major governmental funds are the general fund, community development fund, safety services fund and the justice center fund. The general fund had revenues of \$9,371,719 in 2003. This represents a decrease of \$483,481 from 2002 revenues. The expenditures of the general fund, which totaled \$8,256,114 in 2003, decreased \$2,067,836 from 2002. The net increase in fund balance for the general fund was \$932,891 or 313.01%.
- The community development fund had revenues of \$1,889,369 in 2003. The expenditures of the community development fund totaled \$1,755,558 in 2003. The net decrease in fund balance for the community development fund was \$116,189 or 4.12%.
- The safety services fund had revenues of \$19,051,970 in 2003. The expenditures for the safety services fund totaled \$18,887,370 in 2003. The net increase in fund balance for the safety services fund was \$65,987 or 49.32%.
- The justice center fund had revenues of \$55,073 in 2003. The expenditures for the justice center fund totaled \$10,275,353 in 2003. The net increase in fund balance for the justice center fund was \$1,332,549 or 14.92%.
- Net assets for the business-type activities, which are made up of the Water, Sewer, Airport Operating, and Parking Garage enterprise funds, decreased in 2003 by \$156,168. This decrease in net assets was due primarily to transfers and internal balances coupled with deficient charges for services revenue to cover operating expenses.
- In the general fund, the actual revenues came in \$158,810 higher than they were in the final budget and actual expenditures were \$79,395 less than the amount in the final budget. These positive variances are the result of the City's conservative budgeting. Budgeted revenues increased \$287,968 from the original to the final budget due primarily to an increase in projected intergovernmental revenue. Budgeted expenditures increased \$141,268 from the original to the final budget due primarily to an increase in the cost of public safety expenditures.

## CITY OF MANSFIELD, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2003 UNAUDITED

#### **Using this Annual Financial Report**

This annual report consists of a series of financial statements and notes to these statements. These statements are organized so the reader can understand the City as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The statement of net assets and statement of activities provide information about the activities of the City as a whole, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

#### **Reporting the City as a Whole**

##### *Statement of Net Assets and the Statement of Activities*

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2003?" The statement of net assets and the statement of activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the City as a whole, the financial position of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs and other factors.

In the statement of net assets and the statement of activities, the City is divided into two distinct kinds of activities:

**Governmental activities** - Most of the City's programs and services are reported here including police, fire and rescue, street maintenance, capital improvements and general administration. These services are funded primarily by property and income taxes and intergovernmental revenues including federal and state grants and other shared revenues.

**Business-type activities** - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The City's water, sewer, airport and parking garage operations are reported here.

#### **Reporting the City's Most Significant Funds**

##### *Fund Financial Statements*

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The analysis of the City's major governmental and proprietary funds begins on page 10.

## CITY OF MANSFIELD, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2003 UNAUDITED

#### ***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund, community development fund, safety services fund and justice center fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 20-29 of this report.

#### ***Proprietary Funds***

The City maintains two different types of proprietary funds, enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, airport and parking garage functions. The City's major enterprise funds are the water and sewer funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The basic proprietary fund financial statements can be found on pages 30-33 of this report.

#### ***Fiduciary Funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Agency funds are the City's only fiduciary fund type. The basic fiduciary fund financial statements can be found on page 34 of this report.

#### ***Notes to the Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 35-67 of this report.

#### **Government-Wide Financial Analysis**

This is the City's first year for government-wide financial statements using the full accrual basis of accounting, therefore, a comparison with prior year is not available. A comparative analysis will be presented in future years when prior year information is available.

**CITY OF MANSFIELD, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED**

The table below provides a summary of the City's net assets for 2003:

	<b>Net Assets</b>		
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<u>Assets</u>			
Current and other assets	\$ 39,264,266	\$ 13,867,030	\$ 53,131,296
Capital assets	<u>54,971,089</u>	<u>43,194,666</u>	<u>98,165,755</u>
Total assets	<u>94,235,355</u>	<u>57,061,696</u>	<u>151,297,051</u>
<u>Liabilities</u>			
Long-term liabilities outstanding	23,960,840	6,976,880	30,937,720
Other liabilities	<u>6,790,245</u>	<u>900,262</u>	<u>7,690,507</u>
Total liabilities	<u>30,751,085</u>	<u>7,877,142</u>	<u>38,628,227</u>
<u>Net Assets</u>			
Invested in capital assets, net of related debt	48,523,672	39,814,666	88,338,338
Restricted	26,640,679	1,457,668	28,098,347
Unrestricted	<u>(11,680,081)</u>	<u>7,912,220</u>	<u>(3,767,861)</u>
Total net assets	<u>\$ 63,484,270</u>	<u>\$ 49,184,554</u>	<u>\$ 112,668,824</u>

Over time, net assets can serve as a useful indicator of a government's financial position. At December 31, 2003, the City's assets exceeded liabilities by \$112,668,824. Net assets were \$63,484,270 and \$49,184,554 for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the City's net assets. At year-end, capital assets represented 64.89% of total assets. Capital assets include land, buildings, improvements other than buildings (IOTB), machinery and equipment, construction in progress (CIP) and infrastructure. Capital assets, net of related debt to acquire the assets, was \$48,523,672 and \$39,814,666 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

As of December 31, 2003, the City is able to report positive balances in all three categories of net assets for the business-type activities.

A portion of the City's net assets, \$28,098,347, represents resources that are subject to external restriction on how they may be used.

**CITY OF MANSFIELD, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED**

The table below shows the changes in net assets for fiscal year 2003. Since this is the first year the City has prepared financial statements following GASB Statement No. 34, revenue and expense comparisons to fiscal year 2002 are not available. A comparative analysis will be provided in future years when prior year information is available.

	<b>Change in Net Assets</b>		
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>Revenues</b>			
Program revenues:			
Charges for services	\$ 3,526,057	\$ 14,508,221	\$ 18,034,278
Operating grants and contributions	7,547,321	-	7,547,321
Capital grants and contributions	<u>132,240</u>	<u>533,827</u>	<u>666,067</u>
Total program revenues	<u>11,205,618</u>	<u>15,042,048</u>	<u>26,247,666</u>
General revenues:			
Property taxes	2,358,616	-	2,358,616
Income taxes	22,678,516	271,518	22,950,034
Unrestricted grants and entitlements	5,520,410	-	5,520,410
Investment earnings	629,575	48,750	678,325
Gain on sale of capital assets	18,581	-	18,581
Miscellaneous	<u>134,162</u>	<u>19,182</u>	<u>153,344</u>
Total general revenues	<u>31,339,860</u>	<u>339,450</u>	<u>31,679,310</u>
Total revenues	<u>42,545,478</u>	<u>15,381,498</u>	<u>57,926,976</u>
Program expenses:			
General government	8,258,059	-	8,258,059
Public safety	20,653,049	-	20,653,049
Public health and welfare	260,946	-	260,946
Transportation	8,496,196	-	8,496,196
Community environment	2,262,008	-	2,262,008
Leisure time activity	505,060	-	505,060
Interest and fiscal charges	689,642	-	689,642
Water	-	7,198,264	7,198,264
Sewer	-	7,240,115	7,240,115
Airport operating	-	733,102	733,102
Parking garage	<u>-</u>	<u>28,976</u>	<u>28,976</u>
Total program expenses	<u>41,124,960</u>	<u>15,200,457</u>	<u>56,325,417</u>
Increase in net assets before special items and transfers	1,420,518	181,041	1,601,559
Special item-donation of land	(180,484)	-	(180,484)
Transfers	<u>337,209</u>	<u>(337,209)</u>	<u>-</u>
Increase (decrease) in net assets	<u>\$ 1,577,243</u>	<u>\$ (156,168)</u>	<u>\$ 1,421,075</u>

**CITY OF MANSFIELD, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED**

**Governmental Activities**

Governmental activities net assets increased \$1,577,243 in 2003. This increase is a result of slightly decreasing expenses and an increase in municipal income taxes versus amounts reported in the prior year.

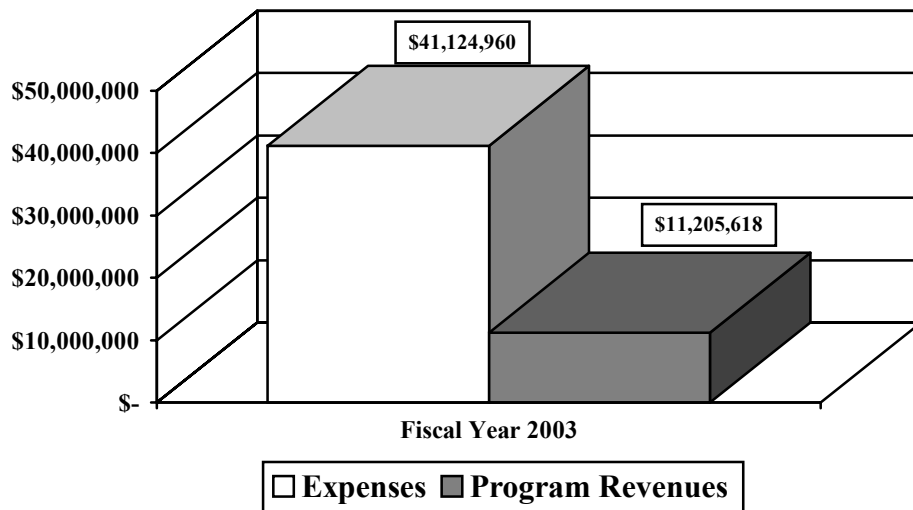
Public safety, which primarily supports the operations of the police and fire departments accounted for \$20,653,049 of the total expenses of the City. These expenses were partially funded by \$625,619 in direct charges to users of the services. Transportation expenses totaled \$8,496,196. Transportation expenses were partially funded by \$463,892 in direct charges to users of the services, \$4,594,845 in operating grants and contributions and \$132,240 in capital grants and contributions.

The state and federal government contributed to the City a total of \$7,547,321 in operating grants and contributions and \$132,240 in capital grants and contributions. These revenues are restricted to a particular program or purpose. Of the total capital grants and contributions, \$132,240 subsidized transportation programs.

General revenues totaled \$31,339,860, and amounted to 73.66% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$25,037,132. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government and local government revenue assistance, making up \$5,520,410.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State and Federal grants and entitlements. As can be seen in the graph below, the City is highly dependent upon property and income taxes as well as unrestricted grants and entitlements to support its governmental activities. Comparisons to 2002 have not been presented since they are not available.

**Governmental Activities – Program Revenues vs. Total Expenses**



**CITY OF MANSFIELD, OHIO**

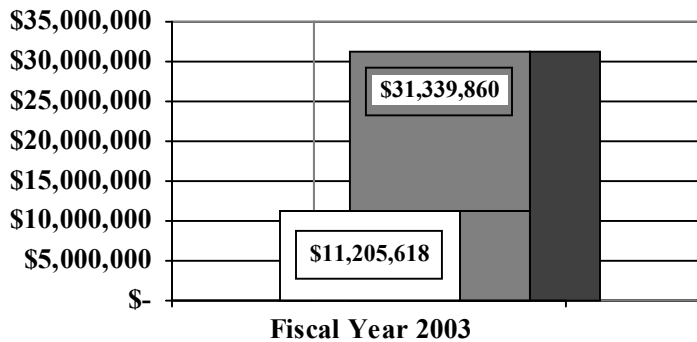
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED**

**Governmental Activities**

	Total Cost of Services <u>2003</u>	Net Cost of Services <u>2003</u>
Program Expenses:		
General government	\$ 8,258,059	\$ 5,826,994
Public safety	20,653,049	19,181,135
Public health and welfare	260,946	135,267
Transportation	8,496,196	3,305,219
Community environment	2,262,008	297,789
Leisure time activity	505,060	483,296
Interest and fiscal charges	<u>689,642</u>	<u>689,642</u>
 Total Program Expenses	 <u>\$ 41,124,960</u>	 <u>\$ 29,919,342</u>

The dependence upon general revenues for governmental activities is apparent, with 72.76% of expenses supported through taxes and other general revenues.

**Governmental Activities – General and Program Revenues**



□ Program Revenues    ■ General Revenues

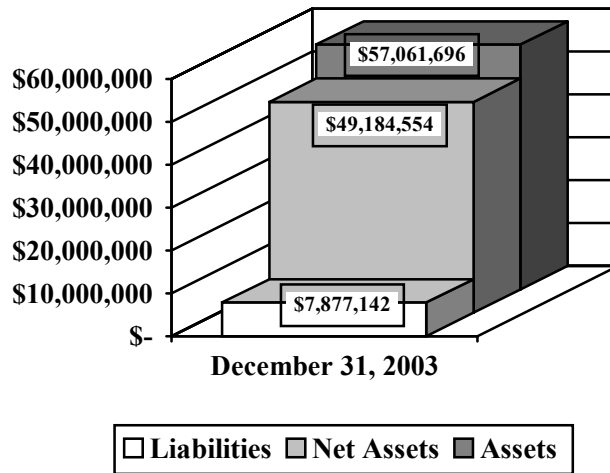
**CITY OF MANSFIELD, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED**

**Business-Type Activities**

Business-type activities include the water, sewer, airport and parking garage enterprise funds. These programs had program revenues of \$15,042,048, general revenues of \$339,450 and expenses of \$15,200,457 for 2003. The graph below shows the business-type activities assets, liabilities and net assets at year-end.

**Net Assets in Business – Type Activities**



**Financial Analysis of the Government's Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the City's net resources available for spending at year-end.

The City's governmental funds (as presented on the balance sheet on page 20-21) reported a combined fund balance of \$23,092,568 which is \$891,130 above last year's total of \$22,201,438 (as restated). The December 31, 2002 fund balances have been restated as described in Note 3 to the basic financial statements. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2003 for all major and nonmajor governmental funds.



**CITY OF MANSFIELD, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED**

	Fund Balances <u>12/31/03</u>	Restated Fund Balances <u>12/31/02</u>	Increase (Decrease)
Major funds:			
General	\$ 1,236,149	\$ 298,038	\$ 938,111
Community development	2,706,663	2,822,840	(116,177)
Safety services	(59,685)	(133,804)	74,119
Justice center	10,264,751	8,932,202	1,332,549
Other nonmajor governmental funds	<u>8,944,690</u>	<u>10,282,162</u>	<u>(1,337,472)</u>
Total	<u>\$ 23,092,568</u>	<u>\$ 22,201,438</u>	<u>\$ 891,130</u>

**General Fund**

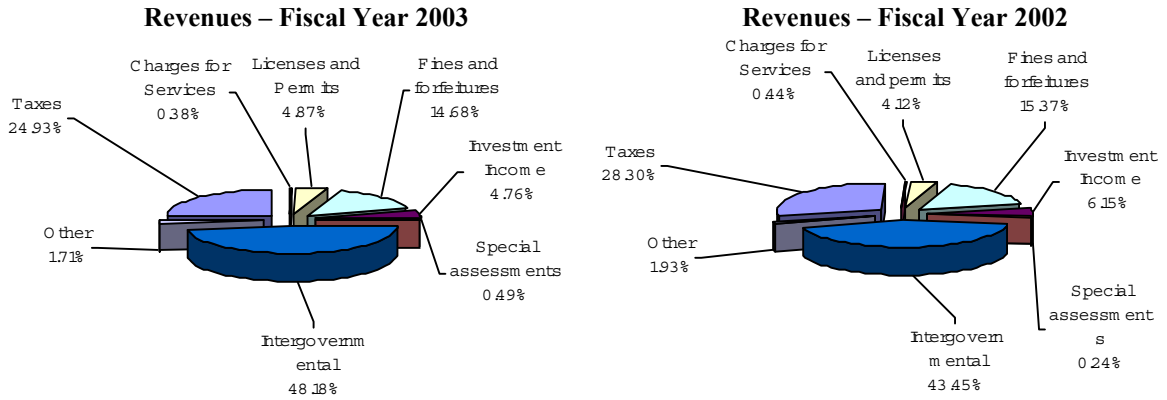
The City's general fund balance increased \$938,111, primarily due to a decline in expenses for general government. The table that follows assists in illustrating the revenues of the general fund.

	<u>2003</u> <u>Amount</u>	<u>2002</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b>Revenues</b>			
Taxes	\$ 2,335,912	\$ 2,788,865	(16.24) %
Charges for services	36,011	43,029	(16.31) %
Licenses, permits and fees	456,112	405,754	12.41 %
Fines and forfeitures	1,375,571	1,514,788	(9.19) %
Investment income	445,653	606,488	(26.52) %
Special assessments	45,632	23,209	96.61 %
Intergovernmental	4,516,142	4,283,047	5.44 %
Other	<u>160,686</u>	<u>190,020</u>	<u>(15.44) %</u>
Total	<u>\$ 9,371,719</u>	<u>\$ 9,855,200</u>	<u>(4.91) %</u>

Tax revenue, which is a combination of property and income tax, represents 24.93% of all general fund revenue. Tax revenue decreased by 16.24% over prior year. The decrease in investment income is due to drastic cuts in interest rates by the Federal Reserve Bank throughout the year. The decrease in charges for services is due to a reclassification with licenses, permits and fees revenue. The increase in special assessments revenue is due to an increase in the collections of special assessments. All other revenue remained comparable to 2002.

**CITY OF MANSFIELD, OHIO**

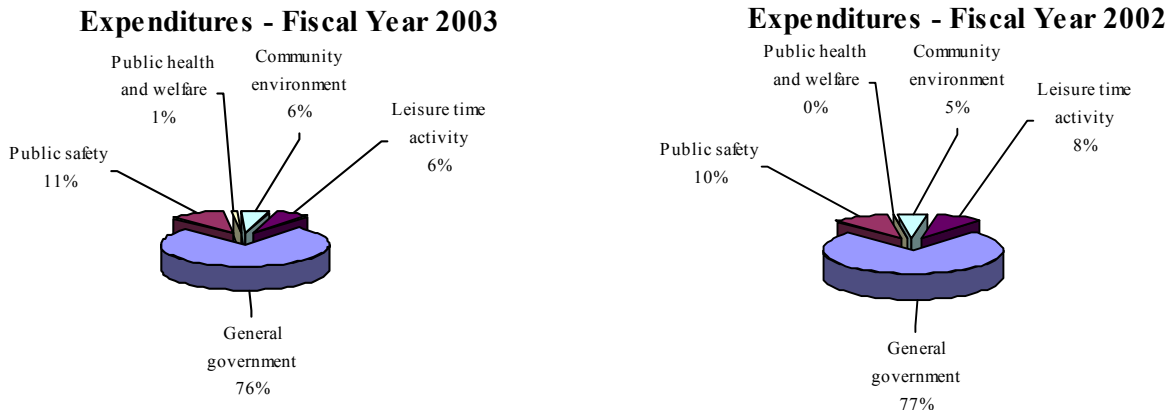
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED**



The table that follows assists in illustrating the expenditures of the general fund.

	<u>2003</u> <u>Amount</u>	<u>2002</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>Expenditures</u></b>			
General government	\$ 6,274,303	\$ 7,844,231	(20.01) %
Public safety	928,076	1,060,921	(12.52) %
Public health and welfare	58,500	30,057	94.63 %
Community environment	467,741	553,081	(15.43) %
Leisure time activity	527,494	835,660	(36.88) %
<b>Total</b>	<u>\$ 8,256,114</u>	<u>\$ 10,323,950</u>	<u>(20.03) %</u>

The most significant increase was in the area of public health and welfare. This increase is primarily due to the increase in cost of services. All other expenditures decreased due to tighter management of the City's resources.



**CITY OF MANSFIELD, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED**

***Community Development Fund***

The community development fund had revenues of \$1,889,369 in 2003. The expenditures of the community development fund totaled \$1,755,558 in 2003. The net decrease in fund balance for the community development fund was \$116,189.

***Safety Services Fund***

The safety services fund had revenues of \$19,051,970 in 2003. The expenditures for the safety services fund totaled \$18,887,370 in 2003. The net increase in fund balance for the safety services fund was \$65,987.

***Justice Center Fund***

The justice center fund had revenues of \$55,073 in 2003. The expenditures for the justice center fund totaled \$10,275,353 in 2003. The net increase in fund balance for the justice center fund was \$1,332,549 due to the sale of notes of \$10,260,000 and transfers in of \$1,292,829.

***Proprietary Funds***

The City's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, but in more detail. The water enterprise fund had revenues of \$7,439,411, which exceeded expenses of \$6,839,171 by \$600,240. The sewer enterprise fund had revenues of \$6,788,952, which was less than expenses of \$7,057,654 by \$268,702.

***Budgeting Highlights***

The City's budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially, the budget is the City's appropriations which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the ORC. Therefore, the City's plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity then the appropriations can be adjusted accordingly.

Budgetary information is presented for the general fund, community development fund and safety services fund. In the general fund, one of the most significant changes was between the original and final budgeted amount in the area of expenditures, which increased \$141,268 from \$8,612,546 to \$8,753,814. Actual revenues of \$8,678,380 exceeded final budgeted revenues by \$158,810. The other significant change was between the final budgeted expenditures and actual expenditures. Actual expenditures came in \$79,395 lower than the final budgeted amounts.

***Proprietary Funds***

The City's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, except in more detail. The only difference between the amounts reported as business-type activities and the amounts reported in the proprietary fund statements are interfund eliminations between proprietary funds and internal balances due to governmental activities for internal service activities. The only interfund activity reported in the government-wide financial statements are those between business-type activities and governmental activities (reported as internal balances and transfers) whereas interfund amounts between various enterprise funds are reported in the proprietary fund statements.

**CITY OF MANSFIELD, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED**

**Capital Assets and Debt Administration**

*Capital Assets*

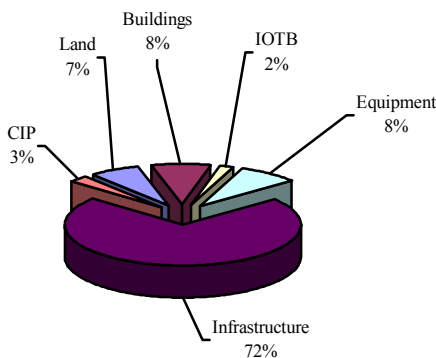
As of December 31, 2003, the City had \$98,165,755 (net of accumulated depreciation) invested in land, buildings, improvements other than buildings (IOTB), machinery and equipment, infrastructure and construction in progress (CIP). Of this total, \$54,971,089 was reported in governmental activities and \$43,194,666 was reported in business-type activities. For additional information regarding capital assets, see Note 9. The following table shows fiscal 2003 balances compared to 2002:

**Capital Assets at December 31  
(Net of Depreciation)**

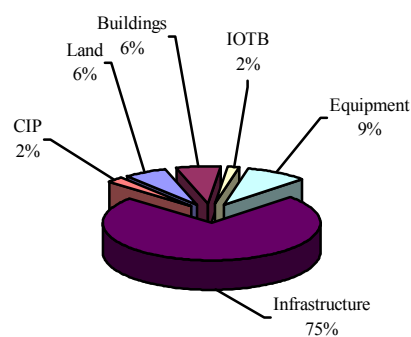
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Land	\$ 3,797,964	\$ 3,671,996	\$ 2,164,307	\$ 2,164,307	\$ 5,962,271	\$ 5,836,303
Buildings	4,388,462	3,668,622	3,110,375	3,442,872	7,498,837	7,111,494
IOTB	1,176,020	996,221	10,788,237	11,699,013	11,964,257	12,695,234
Machinery & Equipment	4,493,589	5,231,658	1,699,316	1,837,337	6,192,905	7,068,995
Infrastructure	39,541,234	41,683,355	24,639,295	24,356,536	64,180,529	66,039,891
CIP	1,573,820	1,337,158	793,136	315,997	2,366,956	1,653,155
<b>Totals</b>	<b>\$ 54,971,089</b>	<b>\$ 56,589,010</b>	<b>\$ 43,194,666</b>	<b>\$ 43,816,062</b>	<b>\$ 98,165,755</b>	<b>\$ 100,405,072</b>

The following graphs show the breakdown of governmental capital assets by category for 2003 and 2002.

**Capital Assets - Governmental Activities 2003**



**Capital Assets - Governmental Activities 2002**



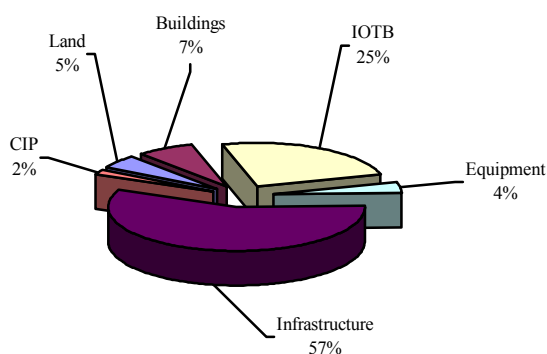
The City's largest capital asset category is infrastructure which includes roads, bridges, and traffic signals. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant.

**CITY OF MANSFIELD, OHIO**

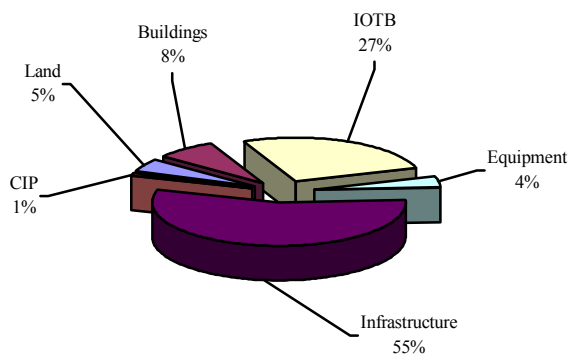
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED**

The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 72% of the City's total governmental capital assets. The following graphs show the breakdown of business-type capital assets by category for 2003 and 2002.

**Capital Assets - Business-Type Activities 2003**



**Capital Assets - Business-Type Activities 2002**



The City's largest business-type capital asset category is infrastructure that primarily includes water lines, sanitary sewer lines, and storm sewers. These items play a vital role in the income producing ability of the business-type activities. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 57% of the City's total business-type capital assets.

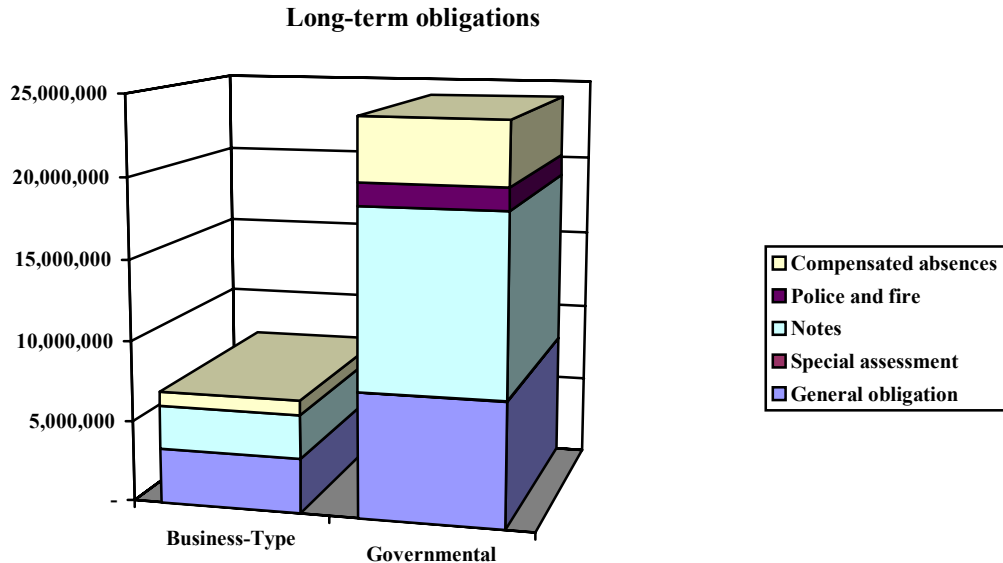
***Debt Administration***

The City had the following long-term obligations outstanding at December 31, 2003 and 2002:

	Governmental Activities	
	<u>2003</u>	<u>2002</u>
General obligation bonds	\$ 7,710,000	\$ 8,550,000
Special assessment bonds	3,268	3,758
Notes payable	11,066,293	10,881,724
Police and fire pension liability	1,354,719	1,374,977
Capital lease obligation	-	38,711
Compensated absences	<u>3,748,916</u>	<u>3,864,896</u>
Total long-term obligations	<u>\$ 23,883,196</u>	<u>\$ 24,714,066</u>
	Business-type Activities	
	<u>2003</u>	<u>2002</u>
General obligation bonds	\$ 3,380,000	\$ 3,650,000
Compensated absences	885,236	879,661
Notes payable	<u>2,711,644</u>	<u>2,694,951</u>
Total long-term obligations	<u>\$ 6,976,880</u>	<u>\$ 7,224,612</u>

**CITY OF MANSFIELD, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**  
**UNAUDITED**

A comparison of the long-term obligations by category is depicted in the chart below. For additional information regarding long-term obligations, see Note 13.



**Economic Factors and Next Year's Budgets and Rates**

The unemployment rate for the City is 7.4 percent, which increased from a rate of 6.7 percent a year ago. This rate exceeds the state's average unemployment rate of 6.2 percent and the national average of 5.7 percent.

Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the City's budget for the 2004 fiscal year. At the end of the 2003 fiscal year, unreserved fund balance in the general fund was \$479,177. The City has encumbered \$604,948 of this amount for spending on fiscal year 2003 activity.

**Contacting the City's Financial Management**

This financial report is designed to provide our citizen's, taxpayers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact Sandra Converse, Finance Director, City of Mansfield, 30 N. Diamond St., Mansfield, Ohio 44902.

**CITY OF MANSFIELD, OHIO**

STATEMENT OF NET ASSETS  
DECEMBER 31, 2003

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 21,955,200	\$ 6,155,643	\$ 28,110,843
Cash and cash equivalents with fiscal agents . . . . .	29,869	7,440	37,309
Investments . . . . .	3,268	2,270,000	2,273,268
Receivables (net of allowances for uncollectibles):			
Taxes . . . . .	6,381,848	56,698	6,438,546
Accounts . . . . .	-	2,371,894	2,371,894
Accrued interest . . . . .	112,998	-	112,998
Special assessments . . . . .	9,633	47,065	56,698
Loans . . . . .	2,925,428	-	2,925,428
Internal balances . . . . .	(982,271)	982,271	-
Due from other governments . . . . .	8,497,798	394,185	8,891,983
Materials and supplies inventory . . . . .	330,495	124,166	454,661
Restricted assets:			
Cash and cash equivalents with fiscal agents . . . . .	-	1,457,668	1,457,668
Capital assets:			
Land and construction in progress . . . . .	5,371,784	2,957,443	8,329,227
Depreciable capital assets, net . . . . .	49,599,305	40,237,223	89,836,528
Total capital assets, net . . . . .	54,971,089	43,194,666	98,165,755
Total assets . . . . .	<u>94,235,355</u>	<u>57,061,696</u>	<u>151,297,051</u>
<b>Liabilities:</b>			
Accounts payable . . . . .	657,419	367,762	1,025,181
Contracts payable . . . . .	596,141	97,126	693,267
Retainage payable . . . . .	29,869	7,440	37,309
Accrued wages and benefits . . . . .	750,632	193,513	944,145
Due to other governments . . . . .	1,671,805	218,262	1,890,067
Deferred revenue . . . . .	2,101,294	-	2,101,294
Accrued interest payable . . . . .	206,624	16,159	222,783
Claims payable . . . . .	776,461	-	776,461
Long-term liabilities:			
Due within one year . . . . .	12,249,696	3,187,597	15,437,293
Due in more than one year . . . . .	11,711,144	3,789,283	15,500,427
Total liabilities . . . . .	<u>30,751,085</u>	<u>7,877,142</u>	<u>38,628,227</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt . . . . .	48,523,672	39,814,666	88,338,338
Restricted for:			
Capital projects . . . . .	13,551,554	-	13,551,554
Debt service . . . . .	2,887,330	-	2,887,330
Community development . . . . .	4,701,931	-	4,701,931
Transportation projects . . . . .	2,422,553	-	2,422,553
Replacement and improvement . . . . .	-	1,457,668	1,457,668
Other purposes . . . . .	3,077,311	-	3,077,311
Unrestricted (deficit) . . . . .	(11,680,081)	7,912,220	(3,767,861)
Total net assets . . . . .	<u>\$ 63,484,270</u>	<u>\$ 49,184,554</u>	<u>\$ 112,668,824</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF MANSFIELD, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2003

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General government . . . . .	\$ 8,258,059	\$ 2,195,188	\$ 235,877	\$ -
Public safety . . . . .	20,653,049	625,619	846,295	-
Public health and welfare . . . . .	260,946	9,727	115,952	-
Transportation . . . . .	8,496,196	463,892	4,594,845	132,240
Community environment . . . . .	2,262,008	209,867	1,754,352	-
Leisure time activities . . . . .	505,060	21,764	-	-
Interest and fiscal charges . . . . .	689,642	-	-	-
Total governmental activities . . . . .	<u>41,124,960</u>	<u>3,526,057</u>	<u>7,547,321</u>	<u>132,240</u>
<b>Business-Type Activities:</b>				
Water . . . . .	7,198,264	7,517,166	-	197,236
Sewer . . . . .	7,240,115	6,791,857	-	336,591
Nonmajor:				
Airport operating . . . . .	733,102	154,987	-	-
Parking garage . . . . .	28,976	44,211	-	-
Total business-type activities . . . . .	<u>15,200,457</u>	<u>14,508,221</u>	<u>-</u>	<u>533,827</u>
Total . . . . .	<u>\$ 56,325,417</u>	<u>\$ 18,034,278</u>	<u>\$ 7,547,321</u>	<u>\$ 666,067</u>

**General Revenues:**

Property taxes levied for:	
General purposes . . . . .	
Debt service . . . . .	
Special purposes . . . . .	
Income taxes levied for:	
General purposes . . . . .	
Special purposes . . . . .	
Capital projects . . . . .	
Airport . . . . .	
Grants and entitlements not restricted to specific programs . . . . .	
Investment earnings . . . . .	
Gain on sale of capital assets . . . . .	
Miscellaneous . . . . .	
Total general revenues . . . . .	
Special item - donation of land . . . . .	
Transfers . . . . .	
Change in net assets . . . . .	
Net assets at beginning of year (restated) . . . . .	
Net assets at end of year . . . . .	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**Net (Expense) Revenue and Changes in Net Assets**

<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (5,826,994)	\$ -	\$ (5,826,994)
(19,181,135)	-	(19,181,135)
(135,267)	-	(135,267)
(3,305,219)	-	(3,305,219)
(297,789)	-	(297,789)
(483,296)	-	(483,296)
(689,642)	-	(689,642)
<u>(29,919,342)</u>	<u>-</u>	<u>(29,919,342)</u>
-	516,138	516,138
-	(111,667)	(111,667)
-	(578,115)	(578,115)
-	15,235	15,235
<u>-</u>	<u>(158,409)</u>	<u>(158,409)</u>
<u>(29,919,342)</u>	<u>(158,409)</u>	<u>(30,077,751)</u>
1,956,016	-	1,956,016
8,037	-	8,037
394,563	-	394,563
295,182	-	295,182
19,085,840	-	19,085,840
3,297,494	-	3,297,494
-	271,518	271,518
5,520,410	-	5,520,410
629,575	48,750	678,325
18,581	-	18,581
134,162	19,182	153,344
31,339,860	339,450	31,679,310
(180,484)	-	(180,484)
<u>337,209</u>	<u>(337,209)</u>	<u>-</u>
1,577,243	(156,168)	1,421,075
<u>61,907,027</u>	<u>49,340,722</u>	<u>111,247,749</u>
<u>\$ 63,484,270</u>	<u>\$ 49,184,554</u>	<u>\$ 112,668,824</u>

**CITY OF MANSFIELD, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2003

	<u>General</u>	<u>Community Development</u>	<u>Safety Services</u>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 153,706	\$ 63,816	\$ 418,259
Cash and cash equivalents with fiscal agent . . . . .	-	-	-
Investments . . . . .	-	-	-
Receivables (net of allowance for uncollectibles):			
Taxes . . . . .	2,187,334	-	3,573,870
Accrued interest . . . . .	68,049	41,147	-
Loans . . . . .	-	2,681,737	-
Special assessments . . . . .	9,633	-	-
Due from other governments . . . . .	2,525,808	2,060,356	6,561
Loans to other funds . . . . .	1,140,000	-	-
Materials and supplies inventory . . . . .	49,617	751	44,086
Total assets . . . . .	<u>\$ 6,134,147</u>	<u>\$ 4,847,807</u>	<u>\$ 4,042,776</u>
<b>Liabilities:</b>			
Accounts payable . . . . .	\$ 157,378	\$ 54,747	\$ 35,967
Contracts payable . . . . .	2,383	-	-
Retainage payable . . . . .	-	-	-
Accrued wages and benefits . . . . .	149,855	9,969	473,521
Compensated absences . . . . .	24,822	6,162	25,189
Loans from other funds . . . . .	-	-	250,000
Due to other governments . . . . .	444,021	15,737	1,033,587
Claims payable . . . . .	22,200	-	-
Deferred revenue . . . . .	4,097,339	2,054,529	2,284,197
Total liabilities . . . . .	<u>4,897,998</u>	<u>2,141,144</u>	<u>4,102,461</u>
<b>Fund Balances:</b>			
Reserved for encumbrances . . . . .	534,626	13,170	47,709
Reserved for materials and supplies inventory . . . . .	49,617	751	44,086
Reserved for loans . . . . .	-	2,681,737	-
Reserved for loans to other funds . . . . .	160,000	-	-
Reserved for debt service . . . . .	-	-	-
Reserved for unclaimed monies . . . . .	12,729	-	-
Unreserved, undesignated, (deficit) reported in:			
General fund . . . . .	479,177	-	-
Special revenue funds . . . . .	-	11,005	(151,480)
Capital projects funds . . . . .	-	-	-
Total fund balances (deficit) . . . . .	<u>1,236,149</u>	<u>2,706,663</u>	<u>(59,685)</u>
Total liabilities and fund balances . . . . .	<u>\$ 6,134,147</u>	<u>\$ 4,847,807</u>	<u>\$ 4,042,776</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Justice Center</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 10,264,751	\$ 9,144,986	\$ 20,045,518
-	29,869	29,869
-	3,268	3,268
-	620,644	6,381,848
-	3,802	112,998
-	243,691	2,925,428
-	-	9,633
-	3,905,073	8,497,798
-	-	1,140,000
-	180,980	275,434
<u>\$ 10,264,751</u>	<u>\$ 14,132,313</u>	<u>\$ 39,421,794</u>
\$ -	\$ 349,811	\$ 597,903
-	593,758	596,141
-	29,869	29,869
-	75,766	709,111
-	17,967	74,140
-	210,000	460,000
-	122,880	1,616,225
-	-	22,200
-	3,787,572	12,223,637
<u>-</u>	<u>5,187,623</u>	<u>16,329,226</u>
-	935,793	1,531,298
-	180,980	275,434
-	243,691	2,925,428
-	-	160,000
-	2,987,309	2,987,309
-	-	12,729
-	-	479,177
-	1,864,076	1,723,601
<u>10,264,751</u>	<u>2,732,841</u>	<u>12,997,592</u>
<u>10,264,751</u>	<u>8,944,690</u>	<u>23,092,568</u>
<u>\$ 10,264,751</u>	<u>\$ 14,132,313</u>	<u>\$ 39,421,794</u>

**CITY OF MANSFIELD, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2003

**Total governmental fund balances** \$ 23,092,568

*Amounts reported for governmental activities in the statement of net assets are different because:*

Capital assets used in governmental activities (excluding internal service funds capital assets) are not financial resources and therefore are not reported in the funds. 52,771,081

Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.

Property taxes	547,699
Income taxes	2,186,002
Special assessments	9,633
Intergovernmental revenues	<u>7,379,009</u>

Total 10,122,343

Internal service funds are used by management to charge the costs of the repair garage, data processing, utility collections, health insurance, OML self-insurance and workers' compensation to individual funds. The assets and liabilities of the internal service funds are included in governmental activities on the statement of net assets. The net assets of the internal service funds, including internal balances of (\$297,729), are: 1,333,628

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The long-term liabilities (excluding amounts reported in the internal service funds) are as follows:

Accrued interest payable	(206,624)
Special assessment bonds	(3,268)
OPWC notes	(11,066,293)
Compensated absences	(3,494,446)
Police and fire pension liability	(1,354,719)
General obligation bonds	<u>(7,710,000)</u>

(23,835,350)

**Net assets of governmental activities** \$ 63,484,270

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF MANSFIELD, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>General</u>	<u>Community Development</u>	<u>Safety Services</u>
<b>Revenues:</b>			
Municipal income taxes . . . . .	\$ 395,186	\$ -	\$ 18,326,618
Property and other taxes . . . . .	1,940,726	-	388,224
Charges for services . . . . .	36,011	-	-
Licenses, permits and fees . . . . .	456,112	-	129,253
Fines and forfeitures . . . . .	1,375,571	-	123,276
Intergovernmental . . . . .	4,516,142	1,754,352	54,432
Special assessments . . . . .	45,632	-	-
Investment income . . . . .	445,653	106,458	-
Other . . . . .	160,686	28,559	30,167
Total revenues . . . . .	<u>9,371,719</u>	<u>1,889,369</u>	<u>19,051,970</u>
<b>Expenditures:</b>			
Current:			
General government . . . . .	6,274,303	-	-
Public safety . . . . .	928,076	-	18,887,370
Public health and welfare . . . . .	58,500	-	-
Transportation . . . . .	-	-	-
Community environment . . . . .	467,741	1,755,558	-
Leisure time activities . . . . .	527,494	-	-
Capital outlay . . . . .	-	-	-
Debt service:			
Principal retirement . . . . .	-	-	-
Interest and fiscal charges . . . . .	-	-	-
Total expenditures . . . . .	<u>8,256,114</u>	<u>1,755,558</u>	<u>18,887,370</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>1,115,605</u>	<u>133,811</u>	<u>164,600</u>
<b>Other financing sources (uses):</b>			
Proceeds from sale of capital assets . . . . .	-	-	-
Proceeds from sale of notes . . . . .	-	-	-
Transfers in . . . . .	227,303	-	38,695
Transfers out . . . . .	(410,017)	(250,000)	(137,308)
Total other financing sources (uses) . . . . .	<u>(182,714)</u>	<u>(250,000)</u>	<u>(98,613)</u>
Net change in fund balances . . . . .	932,891	(116,189)	65,987
<b>Fund balances (deficit) at beginning of year (restated)</b>	298,038	2,822,840	(133,804)
<b>Increase (decrease) in reserve for inventory . . . . .</b>	5,220	12	8,132
<b>Fund balances (deficit) at end of year . . . . .</b>	<u>\$ 1,236,149</u>	<u>\$ 2,706,663</u>	<u>\$ (59,685)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Justice Center</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ 3,600,486	\$ 22,322,290
-	8,147	2,337,097
-	463,892	499,903
-	390,374	975,739
-	352,837	1,851,684
-	5,870,777	12,195,703
-	631	46,263
55,073	22,391	629,575
-	69,315	288,727
<u>55,073</u>	<u>10,778,850</u>	<u>41,146,981</u>
-	3,184,412	9,458,715
-	685,781	20,501,227
-	107,615	166,115
-	2,620,323	2,620,323
-	-	2,223,299
-	-	527,494
20,064	3,751,437	3,771,501
10,000,000	910,000	10,910,000
255,289	471,986	727,275
<u>10,275,353</u>	<u>11,731,554</u>	<u>50,905,949</u>
<u>(10,220,280)</u>	<u>(952,704)</u>	<u>(9,758,968)</u>
-	112,981	112,981
10,260,000	-	10,260,000
1,292,829	1,836,277	3,395,104
-	(2,260,570)	(3,057,895)
<u>11,552,829</u>	<u>(311,312)</u>	<u>10,710,190</u>
1,332,549	(1,264,016)	951,222
8,932,202	10,282,162	22,201,438
-	(73,456)	(60,092)
<u>\$ 10,264,751</u>	<u>\$ 8,944,690</u>	<u>\$ 23,092,568</u>

**CITY OF MANSFIELD, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2003

**Net change in fund balances - total governmental funds** \$ 951,222

*Amounts reported for governmental activities in the statement of activities are different because:*

Government funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays (\$5,553,581) exceeded depreciation expense (\$6,241,267) in the current period. Both amounts are exclusive of internal service funds activity.	(687,686)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net assets.	(286,584)
Governmental funds report expenditures for inventory when purchased. However, in the statement of activities, they are reported as an expense when consumed.	(60,092)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	1,373,305
Long-term note proceeds provide current financial resources to governmental funds, but issuing bonds increase long-term liabilities on the statement of net assets.	(10,260,000)
Repayment of bonds, notes and police and fire pension liability principal are expenditures in the governmental funds, but the repayments reduce long-term liabilities on the statement of net assets.	10,936,179
In the statement of activities, interest is accrued on outstanding bonds, notes and the police and fire pension liability, whereas in governmental funds, an interest expenditure is reported when due.	38,571
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These expenses are exclusive of internal service funds activity.	370,450
Internal service funds are used by management to charge the costs of the repair garage, data processing, utility collections, health insurance, OML self-insurance and workers' compensation to individual funds and are not reported in the government-wide statement of activities. Governmental fund expenditures and the related internal service funds revenue are eliminated. The net revenue (expense) of the internal service funds, including internal balances of (\$297,729), are allocated among the governmental activities.	(798,122)

**Change in net assets of governmental activities** \$ 1,577,243



**CITY OF MANSFIELD, OHIO**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 1,749,000	\$ 1,940,835	\$ 1,940,726	\$ (109)
Charges for services . . . . .	43,200	32,650	30,443	(2,207)
Licenses, permits and fees . . . . .	405,400	459,702	458,629	(1,073)
Fines and forfeitures. . . . .	1,527,900	1,379,570	1,377,009	(2,561)
Intergovernmental . . . . .	3,777,028	4,058,975	4,233,290	174,315
Special assessments . . . . .	22,600	45,633	45,633	-
Investment Income . . . . .	583,974	435,389	423,596	(11,793)
Other . . . . .	122,500	166,816	169,054	2,238
<b>Total revenues.</b> . . . .	<u>8,231,602</u>	<u>8,519,570</u>	<u>8,678,380</u>	<u>158,810</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	6,557,058	6,527,859	6,511,640	16,219
Public safety . . . . .	796,845	1,076,444	1,074,061	2,383
Public health and welfare. . . . .	94,837	95,337	40,064	55,273
Community environment . . . . .	497,496	480,374	479,956	418
Leisure time activities . . . . .	666,310	573,800	568,698	5,102
<b>Total expenditures</b> . . . . .	<u>8,612,546</u>	<u>8,753,814</u>	<u>8,674,419</u>	<u>79,395</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(380,944)</u>	<u>(234,244)</u>	<u>3,961</u>	<u>238,205</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	2,446,612	2,624,612	2,323,911	(300,701)
Transfers out . . . . .	<u>(2,167,564)</u>	<u>(2,391,046)</u>	<u>(2,391,046)</u>	<u>-</u>
<b>Total other financing sources (uses)</b> . . . . .	<u>279,048</u>	<u>233,566</u>	<u>(67,135)</u>	<u>(300,701)</u>
Net change in fund balance . . . . .	(101,896)	(678)	(63,174)	(62,496)
<b>Fund balance at beginning of year</b> . . . . .	381,947	381,947	381,947	-
<b>Prior year encumbrances appropriated</b> . . . . .	<u>181,397</u>	<u>181,397</u>	<u>181,397</u>	<u>-</u>
<b>Fund balance at end of year.</b> . . . .	<u>\$ 461,448</u>	<u>\$ 562,666</u>	<u>\$ 500,170</u>	<u>\$ (62,496)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF MANSFIELD, OHIO**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COMMUNITY DEVELOPMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 3,300,000	\$ 4,763,002	\$ 1,759,677	\$ (3,003,325)
Investment income . . . . .	100,000	100,000	95,197	(4,803)
Other . . . . .	378,000	488,000	481,867	(6,133)
Total revenues. . . . .	<u>3,778,000</u>	<u>5,351,002</u>	<u>2,336,741</u>	<u>(3,014,261)</u>
<b>Expenditures:</b>				
Current:				
Community environment . . . . .	3,422,744	4,752,746	2,166,276	2,586,470
Total expenditures . . . . .	<u>3,422,744</u>	<u>4,752,746</u>	<u>2,166,276</u>	<u>2,586,470</u>
Excess of revenues over expenditures . . . . .	355,256	598,256	170,465	(427,791)
<b>Other financing uses:</b>				
Transfers out . . . . .	(265,779)	(265,779)	(256,825)	8,954
Total other financing uses . . . . .	<u>(265,779)</u>	<u>(265,779)</u>	<u>(256,825)</u>	<u>8,954</u>
Net change in fund balance . . . . .	89,477	332,477	(86,360)	(418,837)
<b>Fund balance at beginning of year . . . . .</b>	128,962	128,962	128,962	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>7,697</u>	<u>7,697</u>	<u>7,697</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 226,136</u>	<u>\$ 469,136</u>	<u>\$ 50,299</u>	<u>\$ (418,837)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF MANSFIELD, OHIO**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SAFETY SERVICES FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 361,000	\$ 388,600	\$ 388,224	\$ (376)
Licenses, permits and fees . . . . .	116,250	139,750	129,313	(10,437)
Fines and forfeitures. . . . .	228,100	194,000	122,989	(71,011)
Intergovernmental . . . . .	48,600	48,600	48,234	(366)
Other . . . . .	91,500	101,500	42,082	(59,418)
<b>Total revenues.</b> . . . .	<u>845,450</u>	<u>872,450</u>	<u>730,842</u>	<u>(141,608)</u>
<b>Expenditures:</b>				
Current:				
Public safety . . . . .	<u>16,255,292</u>	<u>16,354,342</u>	<u>15,646,709</u>	<u>707,633</u>
<b>Total expenditures</b> . . . . .	<u>16,255,292</u>	<u>16,354,342</u>	<u>15,646,709</u>	<u>707,633</u>
Deficiency of revenues under expenditures . . . . .	(15,409,842)	(15,481,892)	(14,915,867)	566,025
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	18,960,541	18,990,541	18,319,492	(671,049)
Transfers out . . . . .	<u>(3,911,716)</u>	<u>(3,911,716)</u>	<u>(3,711,715)</u>	<u>200,001</u>
<b>Total other financing sources (uses)</b> . . . . .	<u>15,048,825</u>	<u>15,078,825</u>	<u>14,607,777</u>	<u>(471,048)</u>
Net change in fund balance . . . . .	(361,017)	(403,067)	(308,090)	94,977
<b>Fund balance at beginning of year</b> . . . . .	427,245	427,245	427,245	-
<b>Prior year encumbrances appropriated</b> . . . . .	<u>17,118</u>	<u>17,118</u>	<u>17,118</u>	<u>-</u>
<b>Fund balance at end of year.</b> . . . .	<u>\$ 83,346</u>	<u>\$ 41,296</u>	<u>\$ 136,273</u>	<u>\$ 94,977</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF MANSFIELD, OHIO

STATEMENT OF NET ASSETS  
 PROPRIETARY FUNDS  
 DECEMBER 31, 2003

	Business-Type Activities -Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Other Enterprise	Total	
<b>Assets:</b>					
Current assets:					
Equity in pooled cash and cash equivalents . . . . .	\$ 3,371,455	\$ 3,575,431	\$ 188,757	\$ 7,135,643	\$ 929,682
Cash and cash equivalents with fiscal agent. . . . .	7,440	-	-	7,440	-
Investments. . . . .	-	2,270,000	-	2,270,000	-
Receivables (net of allowance for uncollectibles):					
Taxes. . . . .	-	-	56,698	56,698	-
Accounts . . . . .	1,236,122	1,124,904	10,868	2,371,894	-
Special assessments. . . . .	-	47,065	-	47,065	-
Due from other governments . . . . .	4,712	389,473	-	394,185	-
Loans to other funds . . . . .	-	300,000	-	300,000	-
Materials and supplies inventory . . . . .	71,120	29,974	23,072	124,166	55,061
Restricted Assets:					
Equity in pooled cash and cash equivalents. . . . .	-	1,457,668	-	1,457,668	-
Total current assets . . . . .	<u>4,690,849</u>	<u>9,194,515</u>	<u>279,395</u>	<u>14,164,759</u>	<u>984,743</u>
Noncurrent assets:					
Capital assets:					
Land and construction in progress . . . . .	890,102	401,860	1,665,481	2,957,443	-
Depreciable capital assets, net . . . . .	7,528,825	30,121,669	2,586,729	40,237,223	2,200,008
Total capital assets, net . . . . .	<u>8,418,927</u>	<u>30,523,529</u>	<u>4,252,210</u>	<u>43,194,666</u>	<u>2,200,008</u>
Total assets . . . . .	<u>13,109,776</u>	<u>39,718,044</u>	<u>4,531,605</u>	<u>57,359,425</u>	<u>3,184,751</u>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable. . . . .	170,600	188,483	8,679	367,762	59,516
Contracts payable. . . . .	78,110	19,016	-	97,126	-
Retainage payable . . . . .	7,440	-	-	7,440	-
Accrued wages and benefits . . . . .	101,372	83,290	8,851	193,513	41,521
Due to other governments . . . . .	117,300	92,590	8,372	218,262	55,580
Claims payable. . . . .	-	-	-	-	754,261
Loans from other funds. . . . .	-	-	-	-	980,000
Current portion of bonds. . . . .	135,000	-	-	135,000	-
Accrued interest payable. . . . .	16,159	-	-	16,159	-
Total current liabilities. . . . .	<u>625,981</u>	<u>383,379</u>	<u>25,902</u>	<u>1,035,262</u>	<u>1,890,878</u>
Long-term liabilities:					
General obligation bonds . . . . .	3,245,000	-	-	3,245,000	-
Notes payable . . . . .	126,644	2,585,000	-	2,711,644	-
Compensated absences . . . . .	545,197	317,222	22,817	885,236	257,974
Total long-term liabilities . . . . .	<u>3,916,841</u>	<u>2,902,222</u>	<u>22,817</u>	<u>6,841,880</u>	<u>257,974</u>
Total liabilities . . . . .	<u>4,542,822</u>	<u>3,285,601</u>	<u>48,719</u>	<u>7,877,142</u>	<u>2,148,852</u>
<b>Net assets:</b>					
Invested in capital assets, net of related debt . . . . .	5,038,927	30,523,529	4,252,210	39,814,666	2,200,008
Restricted for replacement and improvement. . . . .	-	1,457,668	-	1,457,668	-
Unrestricted . . . . .	3,528,027	4,451,246	230,676	8,209,949	(1,164,109)
Total net assets . . . . .	<u>\$ 8,566,954</u>	<u>\$ 36,432,443</u>	<u>\$ 4,482,886</u>	<u>49,482,283</u>	<u>\$ 1,035,899</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds. . . . .				(297,729)	
Net assets of business-type activities . . . . .				<u>\$ 49,184,554</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF MANSFIELD, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2003

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Water</b>	<b>Sewer</b>	<b>Other Enterprise</b>	<b>Total</b>	<b>Activities - Internal Service Funds</b>
<b>Operating revenues:</b>					
Charges for services . . . . .	\$ 7,439,411	\$ 6,788,952	\$ 199,198	\$ 14,427,561	\$ 9,101,165
Total operating revenues . . . . .	<u>7,439,411</u>	<u>6,788,952</u>	<u>199,198</u>	<u>14,427,561</u>	<u>9,101,165</u>
<b>Operating expenses:</b>					
Personal services . . . . .	2,460,079	1,905,741	194,131	4,559,951	1,127,629
Fringe benefits . . . . .	500,595	394,479	37,608	932,682	228,316
Contractual services . . . . .	2,425,567	2,193,570	95,735	4,714,872	2,023,431
Materials and supplies . . . . .	663,957	487,515	65,705	1,217,177	714,791
Depreciation . . . . .	396,273	1,549,564	303,548	2,249,385	660,519
Utilities . . . . .	384,012	500,901	52,518	937,431	39,375
Claims expense . . . . .	-	-	-	-	5,408,138
Other . . . . .	8,688	25,884	173	34,745	-
Total operating expenses . . . . .	<u>6,839,171</u>	<u>7,057,654</u>	<u>749,418</u>	<u>14,646,243</u>	<u>10,202,199</u>
Operating income (loss) . . . . .	<u>600,240</u>	<u>(268,702)</u>	<u>(550,220)</u>	<u>(218,682)</u>	<u>(1,101,034)</u>
<b>Nonoperating revenues (expenses):</b>					
Other nonoperating revenue . . . . .	12,571	5,207	1,404	19,182	6,121
Interest income . . . . .	-	48,750	-	48,750	-
Loss on disposal of assets . . . . .	(503)	-	-	(503)	-
Municipal income tax . . . . .	-	-	271,518	271,518	-
Tap and license fees . . . . .	77,755	2,905	-	80,660	-
Interest expense and fiscal changes . . . . .	<u>(206,489)</u>	<u>(49,493)</u>	<u>-</u>	<u>(255,982)</u>	<u>(938)</u>
Total nonoperating revenues (expenses) . . . . .	<u>(116,666)</u>	<u>7,369</u>	<u>272,922</u>	<u>163,625</u>	<u>5,183</u>
Income (loss) before capital contributions and transfers . . . . .	483,574	(261,333)	(277,298)	(55,057)	(1,095,851)
Capital contributions . . . . .	197,236	336,591	-	533,827	-
Transfers in . . . . .	22,791	-	-	22,791	-
Transfers out . . . . .	<u>(360,000)</u>	<u>-</u>	<u>-</u>	<u>(360,000)</u>	<u>-</u>
Changes in net assets . . . . .	343,601	75,258	(277,298)	141,561	(1,095,851)
<b>Net assets at beginning of year (restated) . . . . .</b>	<u>8,223,353</u>	<u>36,357,185</u>	<u>4,760,184</u>		<u>2,131,750</u>
<b>Net assets at end of year . . . . .</b>	<u>\$ 8,566,954</u>	<u>\$ 36,432,443</u>	<u>\$ 4,482,886</u>		<u>\$ 1,035,899</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds.				<u>(297,729)</u>	
Changes in net assets of business-type activities				<u>\$ (156,168)</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF MANSFIELD, OHIO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Water</b>	<b>Sewer</b>	<b>Other Enterprise</b>	<b>Total</b>	<b>Activities - Internal Service Funds</b>
<b>Cash flows from operating activities:</b>					
Cash received from customers . . . . .	\$ 7,310,292	\$ 6,491,293	\$ 206,015	\$ 14,007,600	\$ 9,101,165
Cash received from other operating revenues. . . . .	90,326	106,862	256,324	453,512	6,121
Cash payments to employees. . . . .	(2,435,884)	(1,896,716)	(200,578)	(4,533,178)	(1,141,475)
Cash payments to suppliers . . . . .	(3,467,402)	(3,415,293)	(199,324)	(7,082,019)	(2,793,506)
Cash payments for claims expense. . . . .	-	-	-	-	(5,137,399)
Cash payments for other operating expenses. . . . .	(563,409)	(462,884)	(45,640)	(1,071,933)	(261,642)
Net cash provided by (used in) operating activities . .	<u>933,923</u>	<u>823,262</u>	<u>16,797</u>	<u>1,773,982</u>	<u>(226,736)</u>
<b>Cash flows from noncapital financing activities:</b>					
Cash received from transfers in . . . . .	22,791	-	-	22,791	-
Cash payments for transfers out. . . . .	(360,000)	-	-	(360,000)	-
Loans to other funds . . . . .	(980,000)	-	-	(980,000)	(600,000)
Loans from other funds. . . . .	-	-	-	-	980,000
Receipts on loans to other funds . . . . .	600,000	100,000	-	700,000	-
Net cash provided by (used in) noncapital financing activities . . . . .	<u>(717,209)</u>	<u>100,000</u>	<u>-</u>	<u>(617,209)</u>	<u>380,000</u>
<b>Cash flows from capital and related financing activities:</b>					
Acquisition of capital assets. . . . .	(609,063)	(134,717)	-	(743,780)	(16,868)
Principal paid on equipment contracts. . . . .	-	-	-	-	(38,711)
Interest paid on equipment contracts . . . . .	-	-	-	-	(938)
Principal paid on general obligation debt . . . . .	(270,000)	-	-	(270,000)	-
Interest paid on general obligation debt. . . . .	(207,633)	-	-	(207,633)	-
Principal paid on notes . . . . .	(9,381)	(23,928)	-	(33,309)	-
Interest paid on notes. . . . .	-	(49,493)	-	(49,493)	-
Net cash used in capital and related financing activities . . . . .	<u>(1,096,077)</u>	<u>(208,138)</u>	<u>-</u>	<u>(1,304,215)</u>	<u>(56,517)</u>
<b>Cash flows from investing activities:</b>					
Purchase of Mansfield City internal bonds . . . . .	-	230,000	-	230,000	-
Net cash provided by investing activities . . . . .	<u>-</u>	<u>230,000</u>	<u>-</u>	<u>230,000</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents .	(879,363)	945,124	16,797	82,558	96,747
<b>Cash and cash equivalents at beginning of year . .</b>	<u>3,278,258</u>	<u>4,087,975</u>	<u>171,960</u>	<u>7,538,193</u>	<u>832,935</u>
<b>Cash and cash equivalents at end of year. . . . .</b>	<u>\$ 2,398,895</u>	<u>\$ 5,033,099</u>	<u>\$ 188,757</u>	<u>\$ 7,620,751</u>	<u>\$ 929,682</u>

(continued)

**CITY OF MANSFIELD, OHIO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

	<u>Business-Type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Service Funds</u>
	<u>Water</u>	<u>Sewer</u>	<u>Other Enterprise</u>	<u>Total</u>	
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss) . . . . .	\$ 475,792	\$ (485,494)	\$ (550,220)	\$ (559,922)	\$ (1,101,034)
Adjustments:					
Depreciation . . . . .	390,461	1,539,274	303,548	2,233,283	660,519
Other nonoperating revenues . . . . .	12,571	5,207	1,404	19,182	6,121
Municipal income tax . . . . .	-	-	271,518	271,518	-
Tap and license fees . . . . .	77,755	2,905	-	80,660	-
Interest revenue . . . . .	-	48,750	-	48,750	-
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable . . . . .	(127,682)	(126,388)	11,207	(242,863)	-
Decrease in special assessments . . . . .	-	7,844	-	7,844	-
Decrease in taxes receivable . . . . .	-	-	33,405	33,405	-
(Increase) decrease in inventory of supplies . . . . .	1,339	149	17,278	18,766	(13,553)
(Increase) decrease in due from other governments . . . . .	2,251	(124,206)	-	(121,955)	-
Increase (decrease) in accounts payable . . . . .	56,763	8,618	(2,644)	62,737	(2,281)
Increase (decrease) in contracts payable . . . . .	76,866	(16,014)	(203)	60,649	(231)
Increase (decrease) in accrued wages and benefits . . . . .	13,460	8,332	(594)	21,198	(2,673)
(Decrease) in due to other governments . . . . .	(52,700)	(41,499)	(7,656)	(101,855)	(33,170)
Increase (decrease) in compensated absences payable . . . . .	10,735	693	(5,853)	5,575	(11,173)
Increase in notes payable . . . . .	-	50,000	-	50,000	-
(Decrease) in deferred revenue . . . . .	(3,688)	(54,909)	(54,393)	(112,990)	-
Increase in claims payable . . . . .	-	-	-	-	270,739
Net cash provided by (used in) operating activities . . . . .	<u>\$ 933,923</u>	<u>\$ 823,262</u>	<u>\$ 16,797</u>	<u>\$ 1,773,982</u>	<u>\$ (226,736)</u>

During the year land developers contributed capital assets to the proprietary funds. The contribution of the related assets totaled \$532,133.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF MANSFIELD, OHIO

STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
DECEMBER 31, 2003

	<u>Agency</u>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents . . . . .	\$ 528,543
Cash and cash equivalents with fiscal agent . . . . .	133,827
Investments . . . . .	205,000
Receivables:	
Taxes . . . . .	8,247
Due from other governments . . . . .	<u>4,932</u>
Total assets. . . . .	<u>880,549</u>
<b>Liabilities:</b>	
Due to other governments . . . . .	337,946
Due to individuals . . . . .	81,081
Undistributed monies . . . . .	<u>461,522</u>
Total liabilities . . . . .	<u>\$ 880,549</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 1 - DESCRIPTION OF THE CITY

The City of Mansfield (the "City") was incorporated as a city in 1857 under the laws of the State of Ohio. In 1982 the voters of Mansfield adopted a charter, which was amended in 1988, in 1992, in 1996, and again in 2000 to govern the operations of the City. The charter provides for an elected mayor, council (6 wards, 2 at-large and a president), finance director, and law director. In addition, 2 judges of the municipal court are elected. Council members serve 4 year, staggered terms; the president of council, the mayor, finance director, and law director serve 4 year terms, and judicial officials serve 6 year terms.

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The City has the option to also apply FASB Statements and Interpretations issued after November 30, 1989 to its business-type activities and enterprise funds, subject to this same limitation. The City has elected not to apply these FASB Statements and Interpretations. The City's significant accounting policies are described below.

##### A. Reporting Entity

For financial reporting purposes, the City's basic financial statements include all funds, agencies, boards, commissions, and departments for which the City is financially accountable. Financial accountability, as defined by the GASB, exists if the City appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on, the City. The City may also be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or a jointly appointed board that is fiscally dependent on the City. The City also took into consideration other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's basic financial statements to be misleading or incomplete.

Component units are organizations for which the City, as the primary government, is financially accountable. To be considered financially accountable, the organization must be fiscally dependent on the City or the City must appoint a majority of the board of the organization and either 1) be able to impose its will on the organization or 2) the relationship must have the potential for creating a financial benefit or imposing a financial burden of the City. Based on these criteria, there are no component units for the City.

The City provides various services and consists of many different activities and smaller accounting entities. Among those included are a police force, a fire fighting force, a municipal court system, a sewage treatment plant, a water treatment plant, an airport, a street maintenance force, a park and recreation system, and a staff to provide the necessary support to these service providers. Each of these activities and entities is under the direct control of City Council, which appropriates for, and finances, their operation. Each is therefore included as part of the reporting entity.

## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

##### **B. Basis of Presentation**

The City's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

**Government-wide Financial Statements** - The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activities of the internal service funds are eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net assets presents the financial condition of the governmental and business-type activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental or business-type activity is self-financing or draw from the general revenues of the City.

**Fund Financial Statements** - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund financial statements. Fiduciary funds are reported by type.

##### **C. Fund Accounting**

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

**Governmental Funds** - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City's major governmental funds:

General Fund - To account for all financial resources except those required to be accounted for in another fund.

## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Community Development - To account for monies received from the Federal Government under the Community Development Block Grant Program, the Home Grant Program, and the Economic Development Loan Repayment Program.

Safety Services - To account for monies collected for police and fire department operations.

Justice Center - To account for construction of the justice center.

Other governmental funds of the City are used to account for (a) the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs; (b) financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds; and (c) for grants and other resources whose use is restricted to a particular purpose.

**Proprietary Funds** - Proprietary fund reporting focuses on the determination of operating revenues, changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

Enterprise Funds - The enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Sewer - To account for the City's provision of sanitary sewer service to the residents and commercial users of the City.

Water - To account for the City's provision of water treatment and distribution to the residential and commercial users of the City.

Other enterprise funds of the City are used to account for the operations of the City's downtown parking lot and parking lot facilities and to account for the operations of the City's airport facility. These funds are nonmajor funds whose activity has been aggregated and presented in a single column in the basic financial statements.

Internal Service Funds - The internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds report on the operations of garage services, data processing, utility collections, health insurance, OML self-insurance, and workers' compensation.

**Fiduciary Funds** - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only fiduciary funds are agency funds.

#### **D. Measurement Focus and Basis of Accounting**

**Government-wide Financial Statements** - The government-wide financial statements are prepared using the full accrual economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net assets. The Statement of Activities presents increases (i.e. revenues) and decreases (i.e. expenditures) in total net assets.

## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

***Fund Financial Statements*** - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the financial statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the City's proprietary funds are charges for sales and services. Operating expenses for the enterprise funds include personnel and other expenses related to the operations of the enterprise activities and operating expenses for the internal service fund include personnel costs, claims and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Agency funds do not report a measurement focus as they do not report operations.

#### **E. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and agency funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

***Revenues - Exchange and Non-exchange Transactions*** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within thirty-one days of year-end.

## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned (see Note 7B). Revenue from property taxes is recognized in the year for which the taxes are levied (see Note 7A). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income taxes withheld by employers, interest on investments, state levied locally shared taxes (including motor vehicle license fees, gasoline tax, and local government assistance), and reimbursements due from federally funded projects for which corresponding expenditures have been made.

**Deferred Revenue** - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2003, but which were levied to finance fiscal year 2004 operations, have been recorded as deferred revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

**Expenses/Expenditures** - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

#### F. Budgetary Process

An annual appropriated budget is legally required to be prepared on the budgetary basis for all funds of the City other than agency funds. However, only general fund and major special revenue funds are required to be reported in the basic financial statements. The following are the procedures used by the City in establishing the budgetary data reported in the basic financial statements.

**Tax Budget** - A budget of estimated cash receipts and disbursements is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

**Estimated Resources** - The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized tax rates and reviews revenue estimates. The commission certifies its actions to the City by September 1. As part of this certification, the City receives the Official Certificate of Estimated Resources which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount stated in the Certificate of Estimated Resources. On or about January 1, the Certificate is amended to include any unencumbered balances from the preceding year. The revised budget then serves as the basis for the appropriation measure. The Certificate of Estimated Resources may be further amended during the year if the Finance Director determines and the Budget Commission agrees that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amounts from the original and final amended Certificates of Estimated Resources issued in 2003.

**Appropriations** - A temporary appropriation measure to control expenditures may be passed on or about January 1 of each year for the period from January 1 to March 31. The annual appropriation ordinance must be passed by Council by April 1 of each year for the period January 1 to December 31. The appropriation ordinance may be supplemented during the year only by action of Council as new information becomes available, but fund appropriations may not exceed estimated resources. Supplemental appropriation measures were legally enacted during 2003.

**Budgeted Level of Expenditures** - Appropriations are made by fund, function or department and object, including personal services, contract services, materials and supplies, capital outlay, debt service, and other. Funds appropriated may not be expended for purposes other than those designated in the appropriation measure.

Only Council may alter amounts allocated to various departments and objects during the year as the need arises by adopting modifications to the appropriation measure. Amounts shown in the budgetary financial statements represent the original and final amounts appropriated for 2003.

**Encumbrances** - Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary control.

**Lapsing of Appropriations** - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and is not reappropriated.

#### G. Cash and Cash Equivalents

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as "Equity in pooled cash and cash equivalents" on the balance sheet and statement of net assets. Investments are in accordance with the City's Investment Policy.

During 2003, investments were limited to STAR Ohio, U.S. Treasury securities, repurchase agreements, federal agency securities and certificates of deposit.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as repurchase agreements and certificates of deposit, are reported at cost.

## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during 2003. STAR Ohio is an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2003.

Money held on behalf of the City by a fiscal and escrow agent represents money earmarked for retainage for construction projects, payroll withholdings, or payment of state shared road project costs. These amounts have been reported as "Cash and cash equivalents with fiscal agent" on the balance sheet and statement of net assets.

For purposes of the statement of cash flows and for presentation on the balance sheet and statement of net assets, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents. Investments with an original maturity of more than three months are reported as investments.

An analysis of the City's investment account at year-end is provided in Note 5.

#### **H. Inventories of Materials and Supplies**

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of the proprietary funds are expensed when used.

On the governmental fund financial statements, recorded inventories are equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

#### **I. Restricted Assets**

The City, in accordance with bond indentures, federal regulations, and state statutes, has restricted assets within enterprise funds for replacement and improvement of its capital assets. Monies which represent debt proceeds are also restricted for use in constructing enterprise fund assets.

As of December 31, 2003, the total restricted cash in the enterprise funds was \$1,457,668. It is in the Sewer fund and is a result of the City receiving construction grant monies for the Wastewater Treatment Plant. A separate account was established to receive and disburse these monies for replacement and improvement purchases of major equipment at the Wastewater Treatment Plant. The funds can never be used to offset deficits or shortfalls in the sewer user charge system. Per the consulting engineer's estimate, the City has sufficient funds in the Reserved for Replacement and Improvement account to meet current needs.

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**J. Prepaids**

Amounts recorded for prepaid items represent the unamortized portion of insurance policies that expire in 2004 or later. Governmental funds use the purchase method of accounting whereby insurance is recognized as an expenditure when purchased. Proprietary funds recognize insurance expense as it is incurred. There were no material prepaid assets to report at December 31, 2003.

**K. Capital Assets**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the enterprise funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and disposals during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$500. The City's governmental activities infrastructure consists of streets, bridges, and traffic signals. The City's business-type activities infrastructure consists of water lines, sanitary sewer lines, and storm sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized for business-type activities. During fiscal 2003, no interest capitalization occurred.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Buildings	25 years	25 years
Improvements other than buildings:		
Land improvements	7 - 25 years	7 - 25 years
Machinery and equipment	2 - 50 years	2 - 50 years
Infrastructure:		
Streets	34 years	-
Bridges	30 - 200 years	-
Traffic signals	5 - 12 years	-
Storm sewer	-	50 years
Water and sewer lines	-	30 - 50 years

**L. Compensated Absences**

Compensated absences of the City consist of vacation leave, sick leave, and compensatory time to the extent that payment to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the City and the employee.



## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

In conformity with GASB Statement No. 16, "Accounting for Compensated Absences", vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at December 31 by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future. The liability includes the employees who are currently eligible to receive termination benefits and the employees who are at least 40 years old with at least 20 years of service and will reach full retirement eligibility in the future.

The total liability for vacation leave, sick leave, and compensatory time has been calculated using the pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by labor contract and/or statute, plus applicable additional salary related payments. City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation, compensatory time and sick leave at various rates.

The entire compensated absence liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absences" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. For proprietary funds, the entire amount of compensated absences is reported as a fund liability.

#### **M. Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

#### **N. Interfund Balances**

On fund financial statements, long-term interfund loans are classified as "loans to/from other funds" on the governmental balance sheet and proprietary statement of net assets. On the governmental fund financial statements, loans to other funds are equally offset by a fund balance reserve account, which indicates that they do not constitute available expendable resources. These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

##### **O. Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the basic financial statements.

##### **P. Fund Balance Reserves**

On the governmental fund financial statements, reserved fund balances indicate that portion of fund equity which is not available for current appropriation or use. The unreserved portions of fund balance reflected on the governmental fund financial statements are available for use within the specific purposes of the funds.

The City reports a reservation of fund balance for amounts representing encumbrances outstanding, materials and supplies inventory, debt service, loans receivable, loans to other funds, and unclaimed monies in the governmental fund financial statements.

##### **Q. Estimates**

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

##### **R. Contributions of Capital**

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, grants restricted for capital construction, donations by developers, contributions made by the City and assets whose construction was financed through special assessments. Capital contributions are reported as revenue in the proprietary fund financial statements.

##### **S. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation, through external restrictions imposed by creditors, grantors or laws or regulations of other governments, or pursuant to bond indenture and federal grant requirements for replacement and improvement of facilities.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

##### T. Special Item

Special items are transactions or events that are either unusual in nature or infrequent in occurrence and within management's control. During fiscal 2003, the City donated \$180,484 (cost basis) in land to the Richland County Mental Health Board. This donation of land has been reported as a special item in the basic financial statements.

#### NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

##### A. Changes in Accounting Principles and Restatement of Fund Balance

For fiscal year 2003, the City has implemented GASB Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments", GASB Statement No. 37, "Basic Financial Statements for State and Local Governments: Omnibus", GASB Statement No. 38, "Certain Financial Statement Note Disclosures", GASB Statement No. 41, "Budgetary Comparison Schedule - Perspective Differences", and GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements". At December 31, 2002, there was no effect on fund balance as a result of implementing GASB Statement Nos. 37, 38 and 41.

GASB Statement No. 34 creates new basic financial statements for reporting on the City's financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column.

GASB Statement No. 37 clarifies certain provisions of Statement No. 34, including the required content of the Management's Discussion and Analysis, the classification of program revenues and the criteria for determining major funds. GASB Statement No. 38 modifies, establishes and rescinds certain financial statement note disclosures.

GASB Statement No. 41 allows the presentation of budgetary schedules as required supplementary information based on the fund, organization or program structure that the government uses for its legally adopted budget when significant budgetary perspective differences result in the City not being able to present budgetary comparison for the general and each major special revenue fund.

GASB Interpretation No. 6 clarifies the application of standards for modified accrual recognition of certain liabilities and expenditures in areas where differences have arisen, or potentially could arise, in interpretation and practice.

The government-wide financial statements split the City's programs between business-type and governmental activities. The beginning net asset amount for the business-type activities equals fund equity of the enterprise funds from last year except for fund reclassifications and adjustments for capital assets as described below. The beginning net asset amount for the internal service funds equal fund equity of the internal service funds from last year. The beginning net asset amount for governmental programs reflects the change in fund balance for governmental funds at December 31, 2002, the elimination of the internal service funds and the conversion to the accrual basis of accounting.

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

**Governmental Activities - Restatement of Fund Balance** - The previously reported expendable trust funds have been reclassified as a component of the general fund and the Waste Water Treatment Plant (WWTP) capital projects fund has been reclassified as a component of the Sewer enterprise fund to properly reflect their intended purpose in accordance with the standards of GASB Statement No. 34. It was also determined that GASB Interpretation No. 6 had an effect on fund balances as previously reported at December 31, 2002.

The fund reclassifications and implementation of GASB Interpretation No. 6 had the following effect on the City's governmental fund balances as previously reported:

	<u>General</u>	<u>Community Development</u>	<u>Safety Services</u>	<u>Justice Center</u>	<u>Nonmajor</u>	<u>Total</u>
Fund balance						
December 31, 2002	\$ 227,463	\$ 2,820,251	\$ (139,334)	\$ 8,932,202	\$ 10,263,787	\$ 22,104,369
Fund reclassifications	41,053	-	-	-	5,107	46,160
GASB Interpretation No. 6 adjustments	<u>29,522</u>	<u>2,589</u>	<u>5,530</u>	<u>-</u>	<u>13,268</u>	<u>50,909</u>
Restated fund balance						
December 31, 2002	<u>\$ 298,038</u>	<u>\$ 2,822,840</u>	<u>\$ (133,804)</u>	<u>\$ 8,932,202</u>	<u>\$ 10,282,162</u>	<u>\$ 22,201,438</u>

The transition from governmental fund balance to net assets of the governmental activities is also presented.

Restated fund balance	
December 31, 2002	\$ 22,201,438
GASB Statement No. 34 adjustments:	
Capital assets	53,745,351
Internal service funds	2,131,750
Accrued interest payable	(245,195)
Long-term liabilities	(24,675,355)
Long-term (deferred assets)	<u>8,749,038</u>
Governmental activities net assets, December 31, 2002	<u>\$ 61,907,027</u>

**Business-Type Activities - Restatement of Fund Equity** - A prior period adjustment is required to report water and sewer lines donated to the City by developers which were previously unreported. In addition, a fund reclassification has been made to report the WWTP capital projects fund as a component of the Sewer fund. These adjustments had the following effect on fund equity as previously reported:

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

	<u>Water</u>	<u>Sewer</u>	<u>Nonmajor</u>	<u>Total Enterprise</u>
Fund equity, December 31, 2002	\$ 5,945,764	\$ 32,646,741	\$ 4,760,184	\$ 43,352,689
Adjustment for capital assets	2,277,589	3,715,551	-	5,993,140
Fund reclassification	<u>-</u>	<u>(5,107)</u>	<u>-</u>	<u>(5,107)</u>
Restated net assets, December 31, 2002	<u>\$ 8,223,353</u>	<u>\$ 36,357,185</u>	<u>\$ 4,760,184</u>	<u>\$ 49,340,722</u>

**B. Deficit Fund Balances/Net Assets**

The following funds had deficit fund balances/net assets at December 31, 2003:

	<u>Deficit Balance</u>
Major governmental fund:	
Safety Services	\$ 59,685
Nonmajor governmental fund:	
Grant fund	67,289
Internal service funds:	
Utility collections	59,564
Health insurance	1,738,537

The deficits in these funds are caused by the application of generally accepted accounting principles (GAAP) to these funds. The general fund is liable for any deficit in these funds and provides operating transfers/loans when cash is required, not when accruals occur.

**C. Legal Compliance**

Contrary to Section 5705.10, Ohio Revised Code and Auditor of State Bulletin 97-003, the sewer fund advanced \$980,000 to the health insurance fund. The accompanying financial statements have been adjusted.

Contrary to Section 5705.10, Ohio Revised Code, the City had negative cash fund balances throughout the year in the following funds:

Grant Fund	\$308,634
Health Insurance	\$72,021-\$670,342
Transient Occupancy Tax	\$909-\$13,636

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis) are presented in the basic financial statements for the General Fund and Major Special Revenue Funds.

- A. Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- B. Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- C. Outstanding year end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance for governmental fund types (GAAP basis).

Adjustments necessary to convert the results of operations at the end of the year on the Budget basis to the GAAP basis are as follows:

	General Fund	Community Development	Safety Services
GAAP Basis	\$932,891	(\$116,189)	\$65,987
Adjustments:			
Revenue accruals	1,403,269	447,372	(40,331)
Expenditure accruals	(1,794,386)	(404,077)	(263,021)
Encumbrances	(604,948)	(13,466)	(70,725)
Budget Basis	(\$63,174)	(\$86,360)	(\$308,090)

**NOTE 5 - DEPOSITS AND INVESTMENTS**

*Cash on hand:* At December 31, 2003, the City had \$83,389 in undeposited cash on hand which is categorized on the basic financial statements as part of “Equity in pooled cash and cash equivalents”.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, “Deposits With Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements”.

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)**

*Deposits:* At year-end, the carrying amount of the City's deposits was \$10,222,567 and the bank balance was \$10,597,953. Of the bank balance, \$201,086 was covered by federal depository insurance, \$37,374 was covered by the National Credit Union Agency, \$2,000,000 was covered by a surety bond, and \$8,359,493 was uninsured and uncollateralized. However, the \$8,359,493 was covered by collateral held by third party trustees in collateral pools securing all public funds on deposit with the specific depository institution. The \$8,359,493 is considered to be uncollateralized as defined in GASB Statement No. 3, since the collateral is held by the counterparty's agent and is not in the City's name. This pooling of collateral approach is specifically authorized by state statute.

*Investments:* The City's investments are categorized to give an indication of the level of custodial credit risk assumed by the entity at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the City. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department, but not in the City's name. Statutory provisions require that all securities acquired by the City be held by the City's finance director or deposited with a qualified trustee pursuant to Section 135.18, of the Ohio Revised Code. Securities acquired under a repurchase agreement must be deposited with such a trustee unless the counterparty is a designated depository of the City for the current period of designation of depositories in which case the securities may be held in trust by the depository. Investments are stated at fair value. Star Ohio is not categorized because it is not evidenced by securities that exist in physical or book entry form.

	Category 1	Category 3	Carrying Value	Fair Value
Federal Securities	\$ 16,928,370	\$ -	\$16,955,982	\$ 16,955,982
Investment in STAR Ohio	-	-	2,827,422	2,827,422
Section 108				
Repurchase Agreements	-	383,830	383,830	383,830
State/Local Ohio Securities	3,268	-	3,268	3,268
Investment in Mansfield				
City Internal Bonds	<u>2,270,000</u>	<u>-</u>	<u>2,270,000</u>	<u>2,270,000</u>
Total Investments	<u>\$ 19,201,638</u>	<u>\$ 383,830</u>	<u>\$22,440,502</u>	<u>\$ 22,440,502</u>

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)**

A reconciliation between the classifications of cash and cash equivalents and investments on the basic financial statements (per GASB Statement No. 9) and the classifications of deposits and investments presented above per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/ Deposits	Investments
GASB Statement No. 9	\$30,268,190	\$ 2,478,268
Investments:		
Federal Securities	(16,955,982)	16,955,982
Section 108 Repurchase Agreements	(383,830)	383,830
Certificates of Deposit	205,000	(205,000)
Investment in STAR Ohio	(2,827,422)	2,827,422
GASB Statement No. 3	\$10,305,956	\$ 22,440,502

**NOTE 6 - INTERFUND TRANSACTIONS**

- A. Interfund transfers for the year ended December 31, 2003, consisted of the following, as reported in the fund financial statements:

Transfers to	Transfers from					
	General	Community Development	Safety Services	Nonmajor Governmental	Water	Total
General	\$ -	\$ -	\$ -	\$ 227,303	\$ -	\$ 227,303
Safety Services	30,000	-	-	8,695	-	38,695
Justice Center	-	-	-	1,292,829	-	1,292,829
Nonmajor Governmental	380,017	250,000	137,308	708,952	360,000	1,836,277
Water	-	-	-	22,791	-	22,791
Total	\$ 410,017	\$ 250,000	\$ 137,308	\$ 2,260,570	\$ 360,000	\$ 3,417,895

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.



**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 6 - INTERFUND TRANSACTIONS - (Continued)**

- B.** Loans to/from other funds consisted of the following at December 31, 2003, as reported in the fund financial statements:

<u>Loans to other funds</u>	<u>Loans from other funds</u>			<u>Total</u>
	<u>Safety Services</u>	<u>Nonmajor Governmental</u>	<u>Internal Service</u>	
General	\$ -	\$ 160,000	\$ 980,000	\$ 1,140,000
Sewer	<u>250,000</u>	<u>50,000</u>	<u>-</u>	<u>300,000</u>
Total	<u>\$ 250,000</u>	<u>\$ 210,000</u>	<u>\$ 980,000</u>	<u>\$ 1,440,000</u>

Loans to/from other funds at December 31, 2003, consisted of a loan of \$250,000 from the Sewer fund to the Safety Services fund. This loan was issued in 1996 for \$631,279 to pay for the purchase of a new ladder truck to be repaid on or before the end of a twelve year period. It will be completely repaid in 2008. A loan of \$50,000 from the Sewer fund to the Nonmajor Governmental funds was originally loaned in 1994 for \$500,000 for the purchase of real property to be paid in equal annual installments over the next ten years. It will be fully repaid in 2004. A loan of \$980,000 from the General fund to the Internal Service fund issued in 2003 to cover 2003 health insurance claims. It will be repaid in 2004. A loan of \$160,000 from the General fund to the Nonmajor Governmental funds issued in 2003 to cover expenses for grants that receive monies on a reimbursement basis. It will be repaid in 2004 when grant monies are received.

**NOTE 7 - TAXES**

**A. Property Tax**

Property taxes include amounts levied against all real, public utility and tangible (used in business) property located in the City. Real property taxes received in 2003 are levied after October 1, 2002 on the assessed value listed as of January 1, 2002, the lien date. Assessed values are established by State laws at 35% of appraised market value. All property is required to be revalued every six years. 2003 real property taxes are collected in and intended to finance 2004. Public utility property taxes are assessed on tangible personal property at 100% of true (market) value and on land and improvements at 35% of true value. Public utilities property taxes received in 2003 became a lien December 31, 2001, were levied after October 1, 2002, and were collected in 2003 with real property taxes. 2003 tangible personal property taxes were levied on or after October 1, 2002 on the value listed as of December 31, 2002. Tangible personal property assessments are 25% of true value. The assessed value upon which the 2003 taxes were collected was \$675,011,218. The full tax rate for all City operations for the fiscal year ended December 31, 2003 was \$3.60 per \$1,000 of assessed valuation.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 20; if paid semi-annually, the first payment is due January 20 with the remainder payable by June 20. Under certain circumstances, state statute permits earlier or later payment dates to be established.

Tangible personal property taxes are also payable annually or semi-annually. If paid annually, payment is due April 30. If paid semi-annually, the first payment is due April 30 with the remainder payable by September 20. Multi-county corporations may pay the entire tax due in one payment by September 20.

The County Treasurer collects property tax on behalf of all taxing districts within the County. The County Auditor periodically remits the collections to the City.

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 7 - TAXES - (Continued)**

Property taxes receivables represent real and tangible personal property taxes, public utility taxes, and outstanding delinquencies which are measurable as of December 31, 2003. Although total property tax collections for the next fiscal year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31, nor are they intended to finance 2003 operations. The receivable is therefore offset by a credit to deferred revenue.

**B. City Income Tax**

The City levies an income tax of 1.75% on substantially all earned income arising from employment, residency or business activities inside the City. The first 1.00% of income tax is a permanent levy. An additional .25% of the income tax for street resurfacing became effective July 1, 1985, and was renewed in November of 1988, in May of 1993, in May of 1997, and again in May of 2001. It is scheduled to expire June 30, 2005. Effective April 1, 1988, an additional .50% was levied for police and fire activities and was renewed in November of 1991, in May of 1995, in May of 1999, and again in May of 2003. It is scheduled to expire December 31, 2007.

As of December 31, 2003, the City had income taxes receivable of \$3,542,945 from accrued employer withheld income taxes, individual income tax filings, and business income tax filings. \$246,608 of the income tax receivable was accrued from payment plans for delinquent income taxes. The income taxes receivable was divided between the safety services fund, the street resurfacing fund, and the airport operating fund.

**NOTE 8 - RECEIVABLES**

Receivables at December 31, 2003, consisted of taxes, accounts (billings for user charged services), special assessments, accrued interest, loans, and intergovernmental receivables arising from grants, entitlements, and shared revenue. All intergovernmental receivables have been classified as "Due from other governments" on the basic financial statements. Receivables have been recorded to the extent that they are both measurable and available at December 31, 2003, as well as intended to finance fiscal 2003 operations.

A summary of the principal items of receivables reported on the Statement of Net Assets follows:

**Governmental Activities:**

Taxes	\$ 6,381,848
Special assessments	9,633
Accrued interest	112,998
Loans	2,925,428
Due from other governments	8,497,798

**Business-Type Activities:**

Accounts	\$ 2,371,894
Taxes	56,698
Due from other governments	394,185
Internal balance	982,271
Special assessments	47,065

Receivables have been disaggregated on the face of the basic financial statements. Intergovernmental receivables have been further disaggregated in Note 18. The only receivables not expected to be collected within the subsequent year are the special assessments and the loans.

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 8 - RECEIVABLES - (Continued)**

The special assessments are collected over the term of the assessment and the loans receivable will be collected annually for a varying number of years.

Allowances for uncollectible accounts represent estimates of uncollectible receivables in the accounts classification. An allowance for uncollectible accounts in the amount of \$125,966 and \$23,849 has been reported in the governmental funds and enterprise funds, respectively. These allowances are reflected in the receivable amounts above.

**NOTE 9 - CAPITAL ASSETS**

- A. The capital asset balances of the governmental activities and business-type activities have been restated due to the reporting of infrastructure and accumulated depreciation in governmental activities and the inclusion of internal service fund capital assets in the governmental activities. Business-type activities have been restated to include water and sewer lines donated by developers in prior years that were previously unreported.

	<u>Balance</u>		<u>Restated</u>
<u>Governmental Activities:</u>	<u>12/31/02</u>	<u>Adjustments</u>	<u>Balance</u>
	<u>12/31/02</u>	<u>12/31/02</u>	<u>12/31/02</u>
Land	\$ 3,671,996	\$ -	\$ 3,671,996
Buildings	13,147,873	-	13,147,873
Improvements other than buildings	1,318,195	-	1,318,195
Machinery and equipment	9,355,193	9,023,920	18,379,113
Infrastructure	-	94,491,344	94,491,344
Construction in progress	1,337,158	-	1,337,158
Less: accumulated depreciation	<u>-</u>	<u>(75,756,669)</u>	<u>(75,756,669)</u>
Total	<u>\$ 28,830,415</u>	<u>\$ 27,758,595</u>	<u>\$ 56,589,010</u>
 <u>Business-type Activities:</u>			
Land	\$ 2,164,307	\$ -	\$ 2,164,307
Buildings	12,863,213	-	12,863,213
Improvements other than buildings	27,330,346	-	27,330,346
Machinery and equipment	58,438,438	(50,334,889)	8,103,549
Infrastructure	-	53,260,705	53,260,705
Construction in progress	315,997	-	315,997
Less: accumulated depreciation	<u>(60,445,720)</u>	<u>223,665</u>	<u>(60,222,055)</u>
Total	<u>\$ 40,666,581</u>	<u>\$ 3,149,481</u>	<u>\$ 43,816,062</u>

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 9 - CAPITAL ASSETS - (Continued)**

**B.** Capital asset activity for the year ended December 31, 2003, was as follows:

<b><u>Governmental Activities:</u></b>	<u>Restated Balance 12/31/02</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance 12/31/03</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 3,671,996	\$ 400,852	\$ (274,884)	\$ 3,797,964
Construction in progress	<u>1,337,158</u>	<u>527,110</u>	<u>(290,448)</u>	<u>1,573,820</u>
Total capital assets, not being depreciated	<u>5,009,154</u>	<u>927,962</u>	<u>(565,332)</u>	<u>5,371,784</u>
<i>Capital assets, being depreciated:</i>				
Buildings	13,147,873	949,480	-	14,097,353
Improvements other than buildings	1,318,195	228,030	(2,037)	1,544,188
Machinery and equipment	18,379,113	475,236	(203,119)	18,651,230
Infrastructure	<u>94,491,344</u>	<u>3,280,189</u>	<u>(13,970)</u>	<u>97,757,563</u>
Total capital assets, being depreciated	<u>127,336,525</u>	<u>4,932,935</u>	<u>(219,126)</u>	<u>132,050,334</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(9,479,251)	(229,640)	-	(9,708,891)
Improvements other than buildings	(321,974)	(48,231)	2,037	(368,168)
Machinery and equipment	(13,147,455)	(1,208,885)	198,699	(14,157,641)
Infrastructure	<u>(52,807,989)</u>	<u>(5,415,030)</u>	<u>6,690</u>	<u>(58,216,329)</u>
Total accumulated depreciation	<u>(75,756,669)</u>	<u>(6,901,786)</u>	<u>207,426</u>	<u>(82,451,029)</u>
Total capital assets, being depreciated, net	<u>51,579,856</u>	<u>(1,968,851)</u>	<u>(11,700)</u>	<u>49,599,305</u>
Governmental activities capital assets, net	<u>\$ 56,589,010</u>	<u>\$ (1,040,889)</u>	<u>\$ (577,032)</u>	<u>\$ 54,971,089</u>

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 9 - CAPITAL ASSETS - (Continued)**

<b><u>Business-Type Activities:</u></b>	Restated Balance 12/31/02	<u>Additions</u>	<u>Disposals</u>	Balance 12/31/03
<i>Capital assets, not being depreciated:</i>				
Land	\$ 2,164,307	\$ -	\$ -	\$ 2,164,307
Construction in progress	<u>315,997</u>	<u>477,139</u>	<u>-</u>	<u>793,136</u>
Total capital assets, not being depreciated	<u>2,480,304</u>	<u>477,139</u>	<u>-</u>	<u>2,957,443</u>
<i>Capital assets, being depreciated:</i>				
Buildings	12,863,213	-	-	12,863,213
Improvements other than buildings	27,330,346	11,835	-	27,342,181
Machinery and equipment	8,103,549	41,722	(21,942)	8,123,329
Infrastructure	<u>53,260,705</u>	<u>1,378,299</u>	<u>-</u>	<u>54,639,004</u>
Total capital assets, being depreciated	<u>101,557,813</u>	<u>1,431,856</u>	<u>(21,942)</u>	<u>102,967,727</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(9,420,341)	(332,497)	-	(9,752,838)
Improvements other than buildings	(15,631,333)	(922,611)	-	(16,553,944)
Machinery and equipment	(6,266,212)	(179,240)	21,439	(6,424,013)
Infrastructure	<u>(28,904,169)</u>	<u>(1,095,540)</u>	<u>-</u>	<u>(29,999,709)</u>
Total accumulated depreciation	<u>(60,222,055)</u>	<u>(2,529,888)</u>	<u>21,439</u>	<u>(62,730,504)</u>
Total capital assets, being depreciated, net	<u>41,335,758</u>	<u>(1,098,032)</u>	<u>(503)</u>	<u>40,237,223</u>
Business-type activities capital assets, net	<u>\$ 43,816,062</u>	<u>\$ (620,893)</u>	<u>\$ (503)</u>	<u>\$ 43,194,666</u>

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 9 - CAPITAL ASSETS - (Continued)**

Depreciation expense was charged to functions/programs of the City as follows:

**Governmental activities:**

General government	\$ 252,674
Public safety	495,664
Public health and welfare	922
Transportation	5,434,806
Community environment	4,827
Leisure time activity	52,373

Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	660,519
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Total depreciation expense - governmental activities	\$ 6,901,785
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**NOTE 10 - COMPENSATED ABSENCES**

**A. Accumulated Unpaid Vacation**

City employees earn vacation leave at varying rates based upon length of service. For sworn police and fire personnel, vacation leave is accrued on January 1 of every year regardless of employee's anniversary date. Vacation time valued at \$611,190 will accrue on January 1, 2004 and is not reflected in the financial statements. Under the current contract with the sworn police officers, vacation balances unused at December 31 can be carried over until May 31, upon request. This amount is reflected in the basic financial statements. Any unused prior year vacation balance at May 31 is lost. For all other City employees, vacation leave is accrued on their anniversary date and the vacation earned must be used in the next year. Any unused vacation is eliminated from the employee's vacation balance. Upon separation from the City, the employee (or their estate) is paid for their accumulated unused vacation leave balance.

**B. Accumulated Unpaid Sick Leave**

All City employees, excluding firefighters, earn .05769 hours of sick leave for each non-overtime hour in active pay status. Firefighters, except the fire chief and assistant fire chiefs, earn .0769 hours of sick leave for each non-overtime hour in active pay status. The fire chief earns .05769 and the assistant fire chiefs earn .0928 hours of sick leave for each non-overtime hour in active pay status. Employees may accrue and carry over all sick leave earned with no limits. Upon separation from the City, employees with at least eight years of service are paid a pro-rata amount of their accumulated unused sick leave. The pro-rata amount is determined in each negotiated work agreement with the City.

Portions of sick leave for eligible employees are accrued within the year of eligibility. Otherwise the cost of sick leave is recorded at the time it is used.

**CITY OF MANSFIELD, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**NOTE 11 - CAPITAL LEASES - LESSEE DISCLOSURE**

In November 1998, the City entered into a capitalized lease for data processing equipment plus extended maintenance with costs totaling \$208,832. This lease met the criteria of a capital lease as defined by Statement of Financial Accounting Standard No. 13 “Accounting for Leases”, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. The equipment acquired by the capital lease has been capitalized in the City’s governmental capital assets at the present value of the future minimum lease payments at lease inception. A corresponding liability has been reported in the governmental activities statement of net assets. The capital lease was retired in 2003.

**NOTE 12 - OPERATING LEASES**

The City is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and therefore the results of the lease agreements are not reflected in the City’s basic financial statements. Total costs for such leases were \$155,652 for the year ended December 31, 2003. The following is a schedule by year of future minimum rental payments required under operating leases that have initial or remaining noncancellable lease terms as of December 31, 2003:

<u>Year Ended December 31</u>	<u>Amount</u>
2004	\$ 118,784
2005	49,348
2006	<u>35,537</u>
Total minimum payments required	<u>\$ 203,669</u>

**NOTE 13 - LONG-TERM OBLIGATIONS**

**A. Governmental activities long-term obligations**

The balance of the City’s governmental activities long-term obligations at December 31, 2002 has been restated. The compensated absences liability increased \$39,849 from \$3,825,047 to \$3,864,896 due to the implementation of GASB Interpretation No. 6 and a capital lease obligation reported in the internal service funds is now reported as a component of governmental activities. In total, governmental activities long-term obligations increased from \$24,635,506 to \$24,714,066 at December 31, 2002. During fiscal 2003, the following changes occurred in the City’s long-term obligations:

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 13 - LONG-TERM OBLIGATIONS – (Continued)**

	Interest	Maturity	Restated			Balance	Amounts
	Rate	Date	Balance	Additions	Disposals	12/31/03	Due in
<i>Governmental Activities:</i>			12/31/02				One Year
<u>General Obligation Bonds</u>							
Series 1998 Sewer System Refunding	3.35 - 4.00%	2005	\$ 1,485,000	\$ -	\$ (510,000)	\$ 975,000	\$ 495,000
Series 2002 Various Purpose Bonds	2.05 - 5.00%	2022	4,565,000	-	(100,000)	4,465,000	210,000
Series 2002 Ohio Police and Fire Pension Internal Bonds	1.95%	2012	1,300,000	-	(120,000)	1,180,000	120,000
Series 2002 Health Care Internal Bonds	1.95%	2012	<u>1,200,000</u>	<u>-</u>	<u>(110,000)</u>	<u>1,090,000</u>	<u>110,000</u>
Total general obligation bonds			<u>8,550,000</u>	<u>-</u>	<u>(840,000)</u>	<u>7,710,000</u>	<u>935,000</u>
<u>Special Assessment Bonds</u>							
Series 1992 Superior Street Improvement	5.00%	2004	<u>3,758</u>	<u>-</u>	<u>(490)</u>	<u>3,268</u>	<u>3,268</u>
Total special assessment bonds			<u>3,758</u>	<u>-</u>	<u>(490)</u>	<u>3,268</u>	<u>3,268</u>
<u>Other Long-Term Obligations</u>							
Notes payable	0.00-1.70%	2006-2015	10,881,724	10,260,000	(10,075,431)	11,066,293	10,335,431
Capital lease obligation			38,711	-	(38,711)	-	-
Police and Fire Pension Liability	4.30%	2035	1,374,977	-	(20,258)	1,354,719	21,128
Compensated Absences			<u>3,864,896</u>	<u>1,080,785</u>	<u>(1,196,765)</u>	<u>3,748,916</u>	<u>954,869</u>
Total other long-term obligations			<u>16,160,308</u>	<u>11,340,785</u>	<u>(11,331,165)</u>	<u>16,169,928</u>	<u>11,311,428</u>
Total governmental activities long-term obligations			<u>\$ 24,714,066</u>	<u>\$ 11,340,785</u>	<u>\$ (12,171,655)</u>	<u>\$ 23,883,196</u>	<u>\$ 12,249,696</u>

Special assessment bonds are payable from assessments levied against the benefited property owners. In the event property owners do not pay the assessments when due, the City is responsible for making the bond principal and interest payments.

The voted general obligation bond issues will be paid through the debt service fund from general property tax revenue. The unvoted general obligation bond issues will be paid from available income tax revenue and community development block grant revenue. The police and fire pension liability is paid through the police and fire special revenue fund using unvoted general property tax revenue. The compensated absences liability will be paid from the fund which the employees' salaries are paid.

The Various Purpose Bonds issued in 2002 were to pay the costs of issuance and to pay and retire outstanding notes issued in anticipation of bonds for the following purposes: furnishing and equipping fire stations, acquiring fire equipment, fire trucks and emergency squad vehicles; constructing, furnishing and equipping a building for the Service Departments; constructing a new fire station; paying costs of constructing water and sewer lines in the Piper Road Industrial Park; and constructing three public streets in and around the Airport Industrial Complex, including grading, draining, paving, constructing curbs, water, storm sewer and sanitary sewer lines.

In 2002, the City declared it necessary to issue internal bonds for the purpose of providing temporary funds to the City's General fund. \$1,300,000 of internal bonds was issued to pay police officer and firefighter employer contributions to the Ohio Police and Fire Pension Fund. \$1,200,000 of internal



**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)**

bonds was issued to provide funds to pay the cost of the City's self-insurance program for health care. These internal bonds were sold at par value to the Sewer fund of the City using the restricted sewer replacement and improvement cash. They are due to mature in a period of at least five (5) years or a maximum of twenty (20) years bearing an interest rate of 1.95%. The City will appropriate annually from available income taxes the amount necessary to pay the debt on the internal bonds. The bonds will mature and be payable on December 1, 2022. Interest on the bonds shall be payable on June 1 and December 1 of each year.

In 2003, the City authorized the issuance of bond anticipation notes totaling \$10,260,000. These notes are to pay the \$10,000,000 in outstanding bond anticipation notes issued in 2002. The notes are for the constructing, furnishing, and equipping a municipal justice center building, acquiring real estate, demolition, and improving the site.

Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2003 are as follows:

Year Ended December 31,	Police and Fire Pension Liability		
	Principal	Interest	Total
2004	\$ 21,128	\$ 57,354	\$ 78,482
2005	22,036	56,446	78,482
2006	22,982	55,500	78,482
2007	23,969	54,513	78,482
2008	25,000	53,482	78,482
2009 - 2013	142,054	250,356	392,410
2014 - 2018	175,298	217,112	392,410
2019 - 2023	216,320	176,090	392,410
2024 - 2028	266,941	125,469	392,410
2029 - 2033	329,411	62,999	392,410
2034 - 2038	<u>109,580</u>	<u>4,617</u>	<u>114,197</u>
Total	<u>\$ 1,354,719</u>	<u>\$ 1,113,938</u>	<u>\$ 2,468,657</u>

Year Ended December 31,	General Obligation Bonds		
	Principal	Interest	Total
2004	\$ 935,000	\$ 271,465	\$ 1,206,465
2005	935,000	242,530	1,177,530
2006	465,000	212,523	677,523
2007	485,000	200,868	685,868
2008	490,000	188,003	678,003
2009-2013	2,305,000	717,243	3,022,243
2014-2018	1,050,000	424,608	1,474,608
2019-2023	<u>1,045,000</u>	<u>135,875</u>	<u>1,180,875</u>
Total	<u>\$ 7,710,000</u>	<u>\$ 2,393,115</u>	<u>\$ 10,103,115</u>

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)**

Year Ended December 31,	Notes Payable		
	Principal	Interest	Total
2004	\$ 10,335,431	\$ 232,770	\$ 10,568,201
2005	75,431	53,345	128,776
2006	75,431	48,347	123,778
2007	70,000	43,356	113,356
2008	70,000	38,302	108,302
2009-2013	350,000	114,600	464,600
2014-2016	90,000	8,553	98,553
Total	<u>\$ 11,066,293</u>	<u>\$ 539,273</u>	<u>\$ 11,605,566</u>

The City's legal voted and unvoted debt margin was \$69,384,409 at December 31, 2003.

**B. Business-Type activities long-term obligations**

The following changes occurred in the City's business-type long-term obligations during fiscal 2003:

<i>Business-Type Activities:</i>	Interest	Maturity	Balance			Balance	Due in
	Rate	Date	12/31/02	Additions	Disposals	12/31/03	One Year
<u>General Obligation Bonds:</u>							
Series 1993 Water System	2.85-9.65%	2013	\$ 1,960,000	\$ -	\$ (140,000)	\$ 1,820,000	\$ 145,000
Series 1992 Water System	3.00-6.20%	2012	<u>1,690,000</u>	<u>-</u>	<u>(130,000)</u>	<u>1,560,000</u>	<u>135,000</u>
Total general obligation bonds			<u>3,650,000</u>	<u>-</u>	<u>(270,000)</u>	<u>3,380,000</u>	<u>280,000</u>
<u>Other long-term obligations:</u>							
Notes payable	0.00-1.55%	2004-2017	2,694,951	2,585,000	(2,568,307)	2,711,644	2,594,381
Compensated absences			<u>879,661</u>	<u>353,810</u>	<u>(348,235)</u>	<u>885,236</u>	<u>313,216</u>
Total other long-term obligations			<u>3,574,612</u>	<u>2,938,810</u>	<u>(2,916,542)</u>	<u>3,596,880</u>	<u>2,907,597</u>
Total business-type activities long-term obligations			<u>\$ 7,224,612</u>	<u>\$ 2,938,810</u>	<u>\$ (3,186,542)</u>	<u>\$ 6,976,880</u>	<u>\$ 3,187,597</u>

The Series 1993 Water System Bonds were issued in 1993 to improve the municipal waterworks system by constructing an elevated water storage reservoir with improvements at the water treatment plant. The Series 1992 Water System Bonds were issued in 1992 for the installation of instrumentation facilities at the water treatment plant and the construction of various water mains. These general obligation bonds are payable from the revenues of the water operations for which the improvements were made.

In 2003, the City authorized the issuance of bond anticipation notes totaling \$2,585,000. These notes are to pay the \$2,535,000 in outstanding bond anticipation notes issued in 2002. The notes are for improving the City's wastewater treatment plant.

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 13 - LONG-TERM OBLIGATIONS - (Continued)**

Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2003 are as follows:

Year Ended December 31,	General Obligation Bonds		
	Principal	Interest	Total
2004	\$ 280,000	\$ 193,903	\$ 473,903
2005	295,000	179,310	474,310
2006	315,000	163,545	478,545
2007	325,000	145,695	470,695
2008	345,000	127,030	472,030
2009-2013	<u>1,820,000</u>	<u>304,590</u>	<u>2,124,590</u>
Total	<u>\$ 3,380,000</u>	<u>\$ 1,114,073</u>	<u>\$ 4,494,073</u>

Year Ended December 31,	Notes Payable		
	Principal	Interest	Total
2004	\$2,594,381	\$ 40,068	\$ 2,634,449
2005	9,381	-	9,381
2006	9,381	-	9,381
2007	9,381	-	9,381
2008	9,381	-	9,381
2009-2013	46,905	-	46,905
2014-2017	<u>32,834</u>	<u>-</u>	<u>32,834</u>
Total	<u>\$2,711,644</u>	<u>\$ 40,068</u>	<u>\$ 2,751,712</u>

**NOTE 14 - RISK MANAGEMENT**

The City is a participant in the Ohio Municipal League Joint Self-Insurance Pool (the "Pool"). The Pool was established in 1987 and is administered under contract by the Ohio Municipal League to provide a program of property and casualty self-insurance for its member organizations throughout the State of Ohio. The Pool's general objectives are to formulate, develop, and administer a program of self-insurance, to obtain lower costs for coverage, and to develop a comprehensive loss control program on behalf of the member political subdivisions. Political subdivisions joining the Pool may withdraw at the end of any coverage period upon 60 days prior written notice to the Pool. Under agreement, members who terminate participation in the Pool, as well as current members, are subject to a supplemental assessment or a refund, at the discretion of the board of trustees, depending on the ultimate loss experience of all the entities it insures for each coverage year. To date, there have been no assessments or refunds.

The City obtained insurance coverage from the Pool for general liability, public officials' error and omissions, law enforcement liability, property, automobile liability, inland marine, boiler and machinery, and EMS liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There has not been a reduction in coverage.

## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 14 - RISK MANAGEMENT - (Continued)

Each participant makes an annual "contribution" to the Pool for the coverage they are provided, based on rates established by the Pool, using anticipated and actual results of operations for the various coverages provided. Participants are also charged for a "surplus contribution" that is used to build the Pool's retained earning account to fund the activities of the Pool. During 2002 and 2003, the City made contributions in the amounts of \$283,977 and \$344,681, and surplus contributions to the Pool in the amounts of \$31,553 and \$38,297, respectively.

In the ordinary course of business, the Pool grants a portion of its exposure to other insurers. These arrangements limit the Pool's maximum net loss on individual risks. Treaty basis casualty excess of loss contracts in force at December 31, 2001 currently generally protects the Pool against individual losses over \$150,000.

Additionally, treaty basis property coverage protects the Pool against losses subject to a deductible of \$50,000 per occurrence. Previously the deductible was the lesser of \$50,000 per location or \$100,000 per occurrence.

The Pool is, and ultimately the participants are, contingently liable should any reinsurer become unable to meet its obligations under the reinsurance agreements.

The aviation liability is purchased from a commercial insurance company.

A review board of City Council members analyzes all accidents such as damage to mailboxes, sewer backups, and personal injury on City property claims for determination of City liability before payments are made or claims filed.

The City pays the Workers' Compensation System a premium based on accident history and administrative costs.

The City has elected to provide Medical, Dental, and Life Insurance as benefits to all full-time employees. A \$25,000 Life, Accidental Death and Dismemberment policy is carried on the employees under the union contracts (AFSCME, FOP, and IAFF). The remaining non-bargaining employees are carried on a policy at an amount equal to their annual salary rounded to the nearest thousand. This policy is effective one month from the date of hire, at no cost to the employee. This coverage is provided by the Canada Life Assurance Company.

Medical and Dental insurance is provided through a self-insured program. An internal service fund was established to account for and finance this program. This plan provides medical coverage with a \$200 single deductible, \$400 family deductible, and a dental plan that pays 100% preventive maintenance costs for employees only. A third party administrator, E.S. Beveridge & Associates, Inc., reviews all claims which are paid by the City. The City pays into the self-insurance internal service fund an amount equal to \$413 single coverage and \$1,004 family coverage per employee per month. A portion of the amount paid into the self-insurance internal service fund is paid by the employees through payroll deduction. The amount depends on the employees type of coverage. Each fund is billed monthly based upon the number of eligible employees receiving health and dental benefits with adjustments made for prior claims and administrative costs.

The liability for unpaid claims costs of \$754,261 reported in the internal service funds at December 31, 2003 is based on the requirements of GASB Statement No. 10. This statement requires that a liability for claims be reported if information prior to the issuance of the combined financial statements indicates that it is probable that a liability has been incurred at the date of the combined financial statements and the amount of the loss can be reasonably estimated. Estimates for unpaid claims are based on available information.

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 14 - RISK MANAGEMENT - (Continued)**

Changes in the fund's claims liability amount for 2003 and 2002 were as follows:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2003	\$ 483,522	\$ 5,408,138	\$ (5,137,399)	\$ 754,261
2002	658,714	4,273,189	(4,448,381)	483,522

**NOTE 15 - DEFINED BENEFIT PENSION PLANS**

**A. Ohio Public Employees Retirement System**

All full-time city employees, other than uniformed police and fire employees, participate in the Ohio Public Employees Retirement System (OPERS), a cost-sharing multiple-employer public employee retirement system created by the State of Ohio. OPERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report which may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6705 or 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate for 2003 was 8.5% for employees. The employer contribution rate was 13.55% of covered payroll and 5.00% was the portion used to fund healthcare for 2003. Required employer contributions are equal to 100% of the dollar amount billed to each employer and must be extracted from the employer's records. The City's contributions to OPERS for the years ended December 31, 2003, 2002, and 2001 were \$1,913,398, \$2,012,614, and \$1,980,880, respectively. The full amount has been contributed for 2001 and 2002. 92.65% has been contributed for 2003 with the remainder being reported as a liability in the respective funds.

**B. Ohio Police and Fire Pension Fund**

Full-time uniformed police and fire employees of the City participate in the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple employer defined benefit pension plan. The OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. The OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Police officers and firefighters are required to contribute 10% of their annual covered salary to fund pension obligations. The City is required to contribute 19.50% for police officers and 24.00% for firefighters. Contributions are authorized by state statute. Contributions by the City to the Ohio Police and Fire Pension Fund for police officers for the years ended December 31, 2003, 2002, and 2001 were \$890,685, \$963,430 and \$944,752, respectively, and for firefighters the contributions were \$1,137,703, \$1,187,515, and \$1,158,301, respectively. The full amount has been contributed for 2001 and 2002.

## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### **NOTE 15 - DEFINED BENEFIT PENSION PLANS - (Continued)**

For police officers and firefighters, 74.09% and 75.15%, respectively, have been contributed for 2003 with the remainder being reported as a liability in the respective funds.

In addition to current contributions, the City pays installments on the accrued liability incurred when the State of Ohio established the statewide pension system for police officers and firefighters in 1967. As of December 31, 2003, the unfunded liability of the City was \$1,354,719 payable in semi-annual payments through the year 2035. This is an accounting liability of the City which will not vary. The liability is reported as a component of governmental activities long-term obligations.

#### **NOTE 16 - POSTEMPLOYMENT BENEFIT PLANS**

##### **A. Ohio Public Employees Retirement System**

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits other than Pension Benefits by State and Local Government Employers". A portion of each employer's contribution to OPERS is set aside for the funding of postretirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The 2003 employer contribution rate for local government employers was 13.55% of covered payroll and 5.00% was the portion that was used to fund health care.

The Ohio Revised Code provides the statutory authority requiring public employers to fund postretirement health care through their contributions to OPERS. The City's contribution actually made to fund postemployment benefits was \$706,044.

OPEB are financed through employer contributions and investment earnings thereon. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely. OPEB's are advance funded on an actuarially determined basis.

As of December 31, 2002 (the latest information available), the actuarial value of the Retirement System's net assets available for future OPEB payments were \$10.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$18.7 billion and \$8.7 billion, respectively. The number of benefit recipients eligible for OPEB was 364,881.

In December 2001, the OPERS Board adopted the Health Care "Choices" Plan in its continuing effort to respond to the rise in the cost of health care. The Choices Plan will be offered to all persons newly hired under OPERS after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices, as the name suggests, will incorporate a cafeteria approach, offering a more broad range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 16 - POSTEMPLOYMENT BENEFIT PLANS - (Continued)

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a Medical Spending Account.

In response to the adverse investment returns experienced by OPERS from 2000 through 2002 and the continued staggering rate of health care inflation, the OPERS Board, during 2003, considered extending "Choices" type cost cutting measures to all active members and benefit recipients. Currently, the Board has not determined the exact changes that will be made to the health care plan. However, changes to the plan are expected to be approved by the summer of 2004.

Additional information on the OPERS, including historical trend information showing the progress in accumulating sufficient assets to pay benefits when due is available in the OPERS December 31, 2003, Comprehensive Annual Financial Report.

#### B. Ohio Police and Fire Pension Fund

The Ohio Police and Fire Pension Fund (OP&F) provides postemployment health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a 2/3 basis. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits Other than Pension Benefits by State and Local Government Employers". The Ohio Revised Code provides that health care cost paid from the funds of the OP&F shall be included in the employer's contribution rate. The total police officer employer contribution rate is 19.5% of covered payroll and the total firefighter's employer contribution rate is 24.0% of covered payroll. The Ohio Revised Code provides the authority allowing OP&F's Board of Trustees to provide health care coverage to all eligible individuals. Health care funding and accounting is on a pay-as-you-go basis. A percentage of covered payroll, as defined by the Board, is used to pay retiree health care expenses. The Board defined allocation was 7.75% of covered payroll in 2003. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment.

The number of participants eligible to receive health care benefits as of December 31, 2002 (the latest information available), is 13,527 for police officers and 10,396 for firefighters. The amount of employer contributions used to pay postemployment benefits for police officers was \$353,602 and \$367,478 for firefighters. OP&F's total health care expense for the year ending December 31, 2002 (the latest information available), was \$141.028 million, which was net of member contributions of \$12.623 million.

#### NOTE 17 - CONTINGENCIES

##### A. Grants

The City has received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the City believes such disallowances, if any, will not have a material adverse effect on the City's financial position.

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 17 - CONTINGENCIES - (Continued)**

**B. Litigation**

The City is a defendant in several lawsuits, the outcome of which cannot be determined. It is the opinion of the City's Law Director that any judgment against the City would not have a material adverse effect on the City's financial position.

**NOTE 18 - INTERGOVERNMENTAL RECEIVABLES**

A summary of the intergovernmental receivables as reported on the fund financial statements as "Due from other governments" are as follows:

General fund:	
Local government funds	\$ 1,832,803
Estate and inheritance tax	394,190
Richland County share of judge's salary	130,124
Public defenders reimbursement	10,883
State liquor permit fees	58,968
Court fees	<u>103,772</u>
Total General fund	<u>\$ 2,530,740</u>
Community Development fund:	
CDBG and HOME grants	<u>\$ 2,060,356</u>
Total Community Development fund	<u>\$ 2,060,356</u>
Safety Services fund:	
Court fees	<u>\$ 6,561</u>
Total Safety Services fund	<u>\$ 6,561</u>
Other Governmental funds:	
Gasoline tax	\$ 589,532
Motor vehicle registration	340,477
Permissive sales tax	479,132
Court fees from government agencies	56,916
Neighborhood Youth Corp contracts	33,320
Police and Fire Department grants	393,866
Neighborhood Youth Corp grants	1,526,898
Litter Control grant	11,240
Municipal Court grants	53,609
Park grant	22,366
Reimbursement of services	122,088
Airport grant	<u>275,629</u>
Total Other Governmental funds	<u>\$ 3,905,073</u>



**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 18 - INTERGOVERNMENTAL RECEIVABLES - (Continued)**

Water fund:	
County water samples	<u>\$ 4,712</u>
Total Water fund	<u><u>\$ 4,712</u></u>
Sewer fund:	
City of Ontario sewer agreements	\$ 150,100
User sewer charges - Richland County	<u>239,373</u>
Total Sewer fund	<u><u>\$ 389,473</u></u>

**NOTE 19 - PRIOR YEAR DEFEASANCE OF DEBT**

In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the City's long-term obligations. As of December 31, 2003, \$975,000 of bonds are considered defeased.

**NOTE 20 - SIGNIFICANT SUBSEQUENT EVENTS**

On March 4, 2004, the City submitted payment for the bond anticipation notes totaling \$10,260,000. These notes were for the constructing, furnishing, and equipping of a municipal justice center. This capital project will be delayed due to difficult financial times.

On July 6, 2004, the City authorized the issuance of bond anticipation notes totaling \$2,625,000. These notes are to pay the \$2,585,000 in outstanding bond anticipation notes issued in 2003. The notes are for improvements to the City's wastewater treatment plant.

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**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

FUND DESCRIPTIONS

**Nonmajor Special Revenue Funds**

The special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes. The following are the nonmajor special revenue funds which the City of Mansfield operates:

***Street Construction, Maintenance and Repair:***

To account for state-levied and controlled gasoline tax and vehicle license fees remitted to the City for routine street maintenance.

***State Highway:***

To account for state-levied and controlled gasoline tax and vehicle license fees for routine maintenance of state highways within the City.

***Neighborhood Youth Corp:***

To account for grant monies received from the Workforce Investment Act, the 21st Century Grant, and other miscellaneous contracts. Individual programs and grant activity are controlled by separate program numbers.

***Drug Law Enforcement:***

To account for the deposit and expenditure of mandatory fines for drug trafficking offenses.

***Law Enforcement:***

To account for monies collected from the sale of contraband.

***Permissive Sales Tax:***

To account for distribution of sales tax collected by Richland County. Monies are to be used solely for road improvements on state highways, county roads entering the City, or streets with a common border with another entity.

***Industrial Development:***

To account for the activities associated with the promotion and development of the local industrial environment.

***Indigent Drivers Alcohol Treatment:***

To account for monies received through the enforcement and implementation of Ohio traffic laws governing operation of a motor vehicle while under the influence of alcohol.

***Court Computerization:***

To account for an increase in court fees for the purpose of funding the acquisition and maintenance of computerized legal research services for courts.

***Local Law Enforcement Block Grant:***

To account for monies received from the federal government under the Local Law Enforcement Block Grant program. The purpose is to underwrite projects to reduce crime and improve public safety.

***Grant Fund:***

To account for monies received for various grants, such as: FAA Improvements, DARE, Litter Control, Emergency Medical Services, Metrich Enforcement, Marine Patrol, Community Corrections Act, Drug Treatment Court, Crime Victims Assistance, Traffic Enforcement Grants, North Lake Park Project, PAL Youth Enrichment, Bulletproof Vest Grant, Forensic DNA Program, DNA Backlog Reduction Program, and ASORT Communications.

**CITY OF MANSFIELD, OHIO**

**COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS**

**FUND DESCRIPTIONS**

**Nonmajor Special Revenue Funds (Continued)**

***Probation Services:***

To account for monies received by the Municipal Court Department of Probation for monthly probation supervision fees.

***Court Costs:***

To account for additional fees and costs imposed by the Mansfield Municipal Court to assist in the building and maintenance of a new justice center.

**Nonmajor Debt Service Fund**

***Debt Service:***

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**Nonmajor Capital Projects Funds**

Capital projects funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by the proprietary or nonexpendable trust funds. The following is a description of all the City's nonmajor capital projects funds:

***Street Resurfacing:***

To account for the extra one quarter percent income tax collections used solely for the resurfacing of City streets.

***Issue II Improvement:***

To account for the construction and improvement of projects which have been granted Issue II monies.

***1998 Improvement:***

To account for the construction of a Service Department building and improvements and equipment for the Fire Department.

***Section 108 Improvement:***

To account for the construction of a new fire station, expansion of the Central Fire Station, and infrastructure improvements for the City's industrial parks.

**CITY OF MANSFIELD, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2003

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Fund</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 3,135,293	\$ 2,984,041	\$ 3,025,652	\$ 9,144,986
Cash and cash equivalents with fiscal agent . . . . .	-	-	29,869	29,869
Investments . . . . .	-	3,268	-	3,268
Receivables (net of allowances of uncollectibles):				
Taxes . . . . .	-	21	620,623	620,644
Accrued interest . . . . .	3,802	-	-	3,802
Loans . . . . .	243,691	-	-	243,691
Due from other governments . . . . .	3,782,985	-	122,088	3,905,073
Materials and supplies inventory . . . . .	169,457	-	11,523	180,980
Total assets . . . . .	<u>\$ 7,335,228</u>	<u>\$ 2,987,330</u>	<u>\$ 3,809,755</u>	<u>\$ 14,132,313</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 347,903	\$ -	\$ 1,908	\$ 349,811
Contracts payable . . . . .	102,583	-	491,175	593,758
Retainage payable . . . . .	-	-	29,869	29,869
Accrued wages and benefits . . . . .	75,766	-	-	75,766
Compensated absences . . . . .	17,967	-	-	17,967
Loans from other funds . . . . .	210,000	-	-	210,000
Due to other governments . . . . .	122,880	-	-	122,880
Deferred revenue . . . . .	3,424,108	21	363,443	3,787,572
Total liabilities . . . . .	<u>4,301,207</u>	<u>21</u>	<u>886,395</u>	<u>5,187,623</u>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	756,797	-	178,996	935,793
Reserved for materials and supplies inventory . . . . .	169,457	-	11,523	180,980
Reserved for loans . . . . .	243,691	-	-	243,691
Reserved for debt service . . . . .	-	2,987,309	-	2,987,309
Unreserved, undesignated, reported in:				
Special revenue funds . . . . .	1,864,076	-	-	1,864,076
Capital projects funds . . . . .	-	-	2,732,841	2,732,841
Total fund balances . . . . .	<u>3,034,021</u>	<u>2,987,309</u>	<u>2,923,360</u>	<u>8,944,690</u>
Total liabilities and fund balances . . . . .	<u>\$ 7,335,228</u>	<u>\$ 2,987,330</u>	<u>\$ 3,809,755</u>	<u>\$ 14,132,313</u>

**CITY OF MANSFIELD, OHIO**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2003**

	<b>Street Construction Maintenance and Repair</b>	<b>State Highway</b>	<b>Neighborhood Youth Corp</b>	<b>Drug Law Enforcement</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 389,327	\$ 174,381	\$ 127,757	\$ 40,917
Receivables (net of allowances of uncollectibles):				
Accrued interest. . . . .	-	-	-	-
Loans . . . . .	-	-	-	-
Due from other governments . . . . .	856,839	73,170	1,560,218	-
Materials and supplies inventory . . . . .	142,691	-	1,221	-
<b>Total assets. . . . .</b>	<b>\$ 1,388,857</b>	<b>\$ 247,551</b>	<b>\$ 1,689,196</b>	<b>\$ 40,917</b>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 85,129	\$ 32,661	\$ 31,135	\$ -
Contracts payable. . . . .	-	-	-	-
Accrued wages and benefits . . . . .	39,892	-	23,854	-
Compensated absences . . . . .	13,806	-	3,071	-
Loans from other funds. . . . .	-	-	-	-
Due to other governments . . . . .	47,763	-	53,671	-
Deferred revenue. . . . .	725,009	62,480	1,492,773	-
<b>Total liabilities. . . . .</b>	<b>911,599</b>	<b>95,141</b>	<b>1,604,504</b>	<b>-</b>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	15,616	130,239	11,658	-
Reserved for materials and supplies inventory . . . . .	142,691	-	1,221	-
Reserved for loans . . . . .	-	-	-	-
Unreserved, undesignated (deficit). . . . .	318,951	22,171	71,813	40,917
<b>Total fund balances (deficit) . . . . .</b>	<b>477,258</b>	<b>152,410</b>	<b>84,692</b>	<b>40,917</b>
<b>Total liabilities and fund balances . . . . .</b>	<b>\$ 1,388,857</b>	<b>\$ 247,551</b>	<b>\$ 1,689,196</b>	<b>\$ 40,917</b>

<u>Law Enforcement</u>	<u>Permissive Sales Tax</u>	<u>Industrial Development</u>	<u>Indigent Drivers Alcohol Treatment</u>	<u>Court Computerization</u>	<u>Local Law Enforcement Block Grant</u>	<u>Grant Fund</u>
\$ 73,349	\$ 766,655	\$ 723,685	\$ 316,777	\$ 120,611	\$ 109,627	\$ 228,099
-	-	3,802	-	-	-	-
-	-	243,691	-	-	-	-
-	479,132	-	747	25,177	19,631	737,319
-	-	-	-	5,616	75	19,704
<u>\$ 73,349</u>	<u>\$ 1,245,787</u>	<u>\$ 971,178</u>	<u>\$ 317,524</u>	<u>\$ 151,404</u>	<u>\$ 129,333</u>	<u>\$ 985,122</u>
\$ 203	\$ 820	\$ 99,288	\$ 660	\$ 1,321	\$ 57,694	\$ 38,554
-	-	-	-	-	-	102,583
-	-	2,325	-	1,162	-	8,533
-	-	-	-	1,090	-	-
-	-	50,000	-	-	-	160,000
-	1,497	-	-	-	-	19,949
-	401,423	-	-	-	19,631	722,792
<u>203</u>	<u>403,740</u>	<u>151,613</u>	<u>660</u>	<u>3,573</u>	<u>77,325</u>	<u>1,052,411</u>
-	59,868	370,228	-	160	600	168,428
-	-	-	-	5,616	75	19,704
-	-	243,691	-	-	-	-
<u>73,146</u>	<u>782,179</u>	<u>205,646</u>	<u>316,864</u>	<u>142,055</u>	<u>51,333</u>	<u>(255,421)</u>
<u>73,146</u>	<u>842,047</u>	<u>819,565</u>	<u>316,864</u>	<u>147,831</u>	<u>52,008</u>	<u>(67,289)</u>
<u>\$ 73,349</u>	<u>\$ 1,245,787</u>	<u>\$ 971,178</u>	<u>\$ 317,524</u>	<u>\$ 151,404</u>	<u>\$ 129,333</u>	<u>\$ 985,122</u>

(continued)

**CITY OF MANSFIELD, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2003

	<b>Probation Services</b>	<b>Court Costs</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents. . . . .	\$ 64,108	\$ -	\$ 3,135,293
Receivables (net of allowances of uncollectibles):			
Accrued interest. . . . .	-	-	3,802
Loans . . . . .	-	-	243,691
Due from other governments . . . . .	9,794	20,958	3,782,985
Materials and supplies inventory . . . . .	150	-	169,457
	<u>74,052</u>	<u>20,958</u>	<u>7,335,228</u>
Total assets. . . . .	<u>\$ 74,052</u>	<u>\$ 20,958</u>	<u>\$ 7,335,228</u>
<b>Liabilities:</b>			
Accounts payable. . . . .	\$ 438	\$ -	\$ 347,903
Contracts payable. . . . .	-	-	102,583
Accrued wages and benefits . . . . .	-	-	75,766
Compensated absences . . . . .	-	-	17,967
Loans from other funds. . . . .	-	-	210,000
Due to other governments . . . . .	-	-	122,880
Deferred revenue. . . . .	-	-	3,424,108
	<u>438</u>	<u>-</u>	<u>4,301,207</u>
Total liabilities. . . . .	<u>438</u>	<u>-</u>	<u>4,301,207</u>
<b>Fund Balances:</b>			
Reserved for encumbrances . . . . .	-	-	756,797
Reserved for materials and supplies inventory . . . . .	150	-	169,457
Reserved for loans . . . . .	-	-	243,691
Unreserved, undesignated (deficit). . . . .	73,464	20,958	1,864,076
	<u>73,614</u>	<u>20,958</u>	<u>3,034,021</u>
Total fund balances (deficit) . . . . .	<u>73,614</u>	<u>20,958</u>	<u>3,034,021</u>
Total liabilities and fund balances . . . . .	<u>\$ 74,052</u>	<u>\$ 20,958</u>	<u>\$ 7,335,228</u>



**CITY OF MANSFIELD, OHIO**  
**COMBINING BALANCE SHEET**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**DECEMBER 31, 2003**

	<u>Street Resurfacing</u>	<u>Issue II Improvement</u>	<u>Section 108 Improvement</u>	<u>Total</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 1,403,290	\$ 424,600	\$ 1,197,762	\$ 3,025,652
Cash and cash equivalents with fiscal agent . . . . .	29,869	-	-	29,869
Receivables (net of allowances of uncollectibles):				
Taxes. . . . .	620,623	-	-	620,623
Due from other governments . . . . .	122,088	-	-	122,088
Materials and supplies inventory . . . . .	11,523	-	-	11,523
Total assets. . . . .	<u>\$ 2,187,393</u>	<u>\$ 424,600</u>	<u>\$ 1,197,762</u>	<u>\$ 3,809,755</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 1,908	\$ -	\$ -	\$ 1,908
Contracts payable. . . . .	491,175	-	-	491,175
Retainage payable . . . . .	29,869	-	-	29,869
Deferred revenue. . . . .	363,443	-	-	363,443
Total liabilities. . . . .	<u>886,395</u>	<u>-</u>	<u>-</u>	<u>886,395</u>
<b>Fund Balances:</b>				
Reserved for encumbrances. . . . .	113,899	54,703	10,394	178,996
Reserved for materials and supplies inventory . . . . .	11,523	-	-	11,523
Unreserved, undesignated . . . . .	1,175,576	369,897	1,187,368	2,732,841
Total fund balances. . . . .	<u>1,300,998</u>	<u>424,600</u>	<u>1,197,762</u>	<u>2,923,360</u>
Total liabilities and fund balances . . . . .	<u>\$ 2,187,393</u>	<u>\$ 424,600</u>	<u>\$ 1,197,762</u>	<u>\$ 3,809,755</u>

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**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2003

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ 373,378	\$ -	\$ 3,227,108	\$ 3,600,486
Property and other taxes . . . . .	-	8,147	-	8,147
Charges for services . . . . .	463,892	-	-	463,892
Licenses, permits and fees . . . . .	390,374	-	-	390,374
Fines and forfeitures . . . . .	352,837	-	-	352,837
Intergovernmental . . . . .	5,738,537	-	132,240	5,870,777
Special assessments . . . . .	-	631	-	631
Investment income . . . . .	18,081	-	4,310	22,391
Other . . . . .	69,315	-	-	69,315
<b>Total revenues.</b> . . . .	<b>7,406,414</b>	<b>8,778</b>	<b>3,363,658</b>	<b>10,778,850</b>
<b>Expenditures:</b>				
Current:				
General government . . . . .	3,184,412	-	-	3,184,412
Public safety . . . . .	685,781	-	-	685,781
Public health and welfare . . . . .	107,615	-	-	107,615
Transportation . . . . .	2,620,323	-	-	2,620,323
Capital outlay . . . . .	272,649	-	3,478,788	3,751,437
Debt service:				
Principal retirement . . . . .	-	910,000	-	910,000
Interest and fiscal charges . . . . .	-	471,986	-	471,986
<b>Total expenditures.</b> . . . .	<b>6,870,780</b>	<b>1,381,986</b>	<b>3,478,788</b>	<b>11,731,554</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	535,634	(1,373,208)	(115,130)	(952,704)
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets . . . . .	112,981	-	-	112,981
Transfers in . . . . .	737,947	673,730	424,600	1,836,277
Transfers out . . . . .	(2,223,205)	-	(37,365)	(2,260,570)
<b>Total other financing sources (uses)</b> . . . . .	<b>(1,372,277)</b>	<b>673,730</b>	<b>387,235</b>	<b>(311,312)</b>
Net change in fund balances . . . . .	(836,643)	(699,478)	272,105	(1,264,016)
<b>Fund balances at beginning of year (restated)</b> . . . . .	<b>3,948,045</b>	<b>3,686,787</b>	<b>2,647,330</b>	<b>10,282,162</b>
<b>Increase (decrease) in reserve for inventory</b> . . . . .	<b>(77,381)</b>	<b>-</b>	<b>3,925</b>	<b>(73,456)</b>
<b>Fund balances at end of year.</b> . . . .	<b>\$ 3,034,021</b>	<b>\$ 2,987,309</b>	<b>\$ 2,923,360</b>	<b>\$ 8,944,690</b>

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2003

	<b>Street Construction Maintenance and Repair</b>	<b>State Highway</b>	<b>Neighborhood Youth Corp</b>	<b>Drug Law Enforcement</b>
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ 197,952	\$ -	\$ -	\$ -
Charges for services . . . . .	211,200	-	252,692	-
Licenses, permits and fees . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	6,107
Intergovernmental . . . . .	1,679,456	136,879	1,536,878	-
Investment income . . . . .	2,083	169	-	-
Other . . . . .	9,423	-	6,835	-
Total revenues. . . . .	<u>2,100,114</u>	<u>137,048</u>	<u>1,796,405</u>	<u>6,107</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	2,054,703	-
Public safety . . . . .	-	-	-	-
Public health and welfare. . . . .	-	-	-	-
Transportation . . . . .	2,326,321	89,411	-	-
Capital outlay. . . . .	-	-	-	-
Total expenditures . . . . .	<u>2,326,321</u>	<u>89,411</u>	<u>2,054,703</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(226,207)</u>	<u>47,637</u>	<u>(258,298)</u>	<u>6,107</u>
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets . . . . .	-	-	-	-
Transfers in . . . . .	363,000	-	-	-
Transfers out . . . . .	<u>(35,921)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses). . . . .	<u>327,079</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances . . . . .	100,872	47,637	(258,298)	6,107
<b>Fund balances (deficit) at beginning of year (restated)</b>	465,469	104,773	341,769	34,810
<b>Increase (decrease) in reserve for inventory. .</b>	<u>(89,083)</u>	<u>-</u>	<u>1,221</u>	<u>-</u>
<b>Fund balances (deficit) at end of year. . . . .</b>	<u>\$ 477,258</u>	<u>\$ 152,410</u>	<u>\$ 84,692</u>	<u>\$ 40,917</u>

<b>Law Enforcement</b>	<b>Permissive Sales Tax</b>	<b>Industrial Development</b>	<b>Indigent Drivers Alcohol Treatment</b>	<b>Court Computerization</b>	<b>Local Law Enforcement Block Grant</b>	<b>Grant Fund</b>
\$ -	\$ -	\$ 175,426	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	8,069
4,000	-	-	11,204	331,526	-	-
-	1,025,432	200,000	16,200	-	-	1,143,692
1,160	-	8,865	-	-	5,804	-
-	-	45,536	-	-	-	4,840
<u>5,160</u>	<u>1,025,432</u>	<u>429,827</u>	<u>27,404</u>	<u>331,526</u>	<u>5,804</u>	<u>1,156,601</u>
-	-	741,754	-	159,409	-	218,917
21,218	-	-	24,790	-	177,495	462,278
-	-	-	-	-	-	107,615
-	204,591	-	-	-	-	-
-	-	-	-	-	-	272,649
<u>21,218</u>	<u>204,591</u>	<u>741,754</u>	<u>24,790</u>	<u>159,409</u>	<u>177,495</u>	<u>1,061,459</u>
<u>(16,058)</u>	<u>820,841</u>	<u>(311,927)</u>	<u>2,614</u>	<u>172,117</u>	<u>(171,691)</u>	<u>95,142</u>
-	-	112,981	-	-	-	-
-	19,636	-	-	-	16,378	130,867
-	(427,600)	-	-	(208,066)	-	(86,789)
-	<u>(407,964)</u>	<u>112,981</u>	<u>-</u>	<u>(208,066)</u>	<u>16,378</u>	<u>44,078</u>
(16,058)	412,877	(198,946)	2,614	(35,949)	(155,313)	139,220
89,204	429,170	1,018,511	314,250	183,119	207,246	(216,104)
-	-	-	-	661	75	9,595
<u>\$ 73,146</u>	<u>\$ 842,047</u>	<u>\$ 819,565</u>	<u>\$ 316,864</u>	<u>\$ 147,831</u>	<u>\$ 52,008</u>	<u>\$ (67,289)</u>

(continued)

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2003

	<b>Probation Services</b>	<b>Court Costs</b>	<b>Total</b>
<b>Revenues:</b>			
Municipal income taxes . . . . .	\$ -	\$ -	\$ 373,378
Charges for services . . . . .	-	-	463,892
Licenses, permits and fees . . . . .	131,624	250,681	390,374
Fines and forfeitures . . . . .	-	-	352,837
Intergovernmental . . . . .	-	-	5,738,537
Investment income . . . . .	-	-	18,081
Other . . . . .	2,681	-	69,315
Total revenues . . . . .	<u>134,305</u>	<u>250,681</u>	<u>7,406,414</u>
<b>Expenditures:</b>			
Current:			
General government . . . . .	9,629	-	3,184,412
Public safety . . . . .	-	-	685,781
Public health and welfare . . . . .	-	-	107,615
Transportation . . . . .	-	-	2,620,323
Capital outlay . . . . .	-	-	272,649
Total expenditures . . . . .	<u>9,629</u>	<u>-</u>	<u>6,870,780</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>124,676</u>	<u>250,681</u>	<u>535,634</u>
<b>Other financing sources (uses):</b>			
Proceeds from sale of capital assets . . . . .	-	-	112,981
Transfers in . . . . .	-	208,066	737,947
Transfers out . . . . .	<u>(172,000)</u>	<u>(1,292,829)</u>	<u>(2,223,205)</u>
Total other financing sources (uses) . . . . .	<u>(172,000)</u>	<u>(1,084,763)</u>	<u>(1,372,277)</u>
Net change in fund balances . . . . .	(47,324)	(834,082)	(836,643)
<b>Fund balances (deficit) at beginning of year (restated)</b>	120,788	855,040	3,948,045
<b>Increase (decrease) in reserve for inventory . .</b>	<u>150</u>	<u>-</u>	<u>(77,381)</u>
<b>Fund balances (deficit) at end of year . . . . .</b>	<u>\$ 73,614</u>	<u>\$ 20,958</u>	<u>\$ 3,034,021</u>

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2003

	<b>Street Resurfacing</b>	<b>Issue II Improvement</b>	<b>1998 Improvement</b>	<b>Section 108 Improvement</b>	<b>Total</b>
<b>Revenues:</b>					
Municipal income taxes . . . . .	\$ 3,227,108	\$ -	\$ -	\$ -	\$ 3,227,108
Intergovernmental . . . . .	127,210	5,030	-	-	132,240
Investment income . . . . .	-	-	-	4,310	4,310
<b>Total revenues . . . . .</b>	<b>3,354,318</b>	<b>5,030</b>	<b>-</b>	<b>4,310</b>	<b>3,363,658</b>
<b>Expenditures:</b>					
Capital outlay . . . . .	3,189,991	5,030	-	283,767	3,478,788
<b>Total expenditures . . . . .</b>	<b>3,189,991</b>	<b>5,030</b>	<b>-</b>	<b>283,767</b>	<b>3,478,788</b>
Excess (deficiency) of revenues over (under) expenditures. . . . .	164,327	-	-	(279,457)	(115,130)
<b>Other financing sources (uses):</b>					
Transfers in . . . . .	-	424,600	-	-	424,600
Transfers out . . . . .	-	(19,636)	(17,729)	-	(37,365)
<b>Total other financing sources (uses) . . . . .</b>	<b>-</b>	<b>404,964</b>	<b>(17,729)</b>	<b>-</b>	<b>387,235</b>
<b>Net change in fund balances . . . . .</b>	<b>164,327</b>	<b>404,964</b>	<b>(17,729)</b>	<b>(279,457)</b>	<b>272,105</b>
<b>Fund balances at beginning of year (restated) .</b>	<b>1,132,746</b>	<b>19,636</b>	<b>17,729</b>	<b>1,477,219</b>	<b>2,647,330</b>
<b>Increase in reserve for inventory. . . . .</b>	<b>3,925</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,925</b>
<b>Fund balances at end of year. . . . .</b>	<b>\$ 1,300,998</b>	<b>\$ 424,600</b>	<b>\$ -</b>	<b>\$ 1,197,762</b>	<b>\$ 2,923,360</b>

**CITY OF MANSFIELD, OHIO**

**COMBINING STATEMENTS - NONMAJOR ENTERPRISE FUNDS**

**FUND DESCRIPTIONS**

**Nonmajor Enterprise Funds**

The enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs (expenses, including depreciation) of providing services to the general public on a continuing basis be recovered primarily through user charges, or where it has been decided that a periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

***Airport Operating:***

To account for the operation of the City's airport facility.

***Parking Garage:***

To account for the operation of the City's downtown parking garage and parking lot facilities.



**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF NET ASSETS  
NONMAJOR ENTERPRISE FUNDS  
DECEMBER 31, 2003

	<u>Airport Operating</u>	<u>Parking Garage</u>	<u>Total</u>
<b>Assets:</b>			
Current assets:			
Equity in pooled cash and cash equivalents . . . . .	\$ 100,120	\$ 88,637	\$ 188,757
Receivables (net of allowances of uncollectibles):			
Taxes . . . . .	56,698	-	56,698
Accounts . . . . .	10,868	-	10,868
Materials and supplies inventory . . . . .	23,072	-	23,072
Total current assets . . . . .	<u>190,758</u>	<u>88,637</u>	<u>279,395</u>
Noncurrent assets:			
Capital assets:			
Land and construction in progress . . . . .	1,665,481	-	1,665,481
Depreciable capital assets, net . . . . .	2,426,015	160,714	2,586,729
Total capital assets . . . . .	<u>4,091,496</u>	<u>160,714</u>	<u>4,252,210</u>
Total assets . . . . .	<u>\$ 4,282,254</u>	<u>\$ 249,351</u>	<u>\$ 4,531,605</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable . . . . .	\$ 8,679	\$ -	\$ 8,679
Accrued wages and benefits . . . . .	8,851	-	8,851
Due to other governments . . . . .	8,372	-	8,372
Total current liabilities . . . . .	<u>25,902</u>	<u>-</u>	<u>25,902</u>
Long-term liabilities:			
Compensated absences . . . . .	22,817	-	22,817
Total long-term liabilities . . . . .	<u>22,817</u>	<u>-</u>	<u>22,817</u>
Total liabilities . . . . .	<u>48,719</u>	<u>-</u>	<u>48,719</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt . . . . .	4,091,496	160,714	4,252,210
Unrestricted . . . . .	142,039	88,637	230,676
Total net assets . . . . .	<u>\$ 4,233,535</u>	<u>\$ 249,351</u>	<u>\$ 4,482,886</u>

**CITY OF MANSFIELD, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**NONMAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

	<b>Airport Operating</b>	<b>Parking Garage</b>	<b>Total</b>
<b>Operating revenues:</b>			
Charges for services . . . . .	\$ 154,987	\$ 44,211	\$ 199,198
Total operating revenues . . . . .	<u>154,987</u>	<u>44,211</u>	<u>199,198</u>
<b>Operating expenses:</b>			
Personal services . . . . .	194,131	-	194,131
Fringe benefits . . . . .	37,608	-	37,608
Contractual services. . . . .	77,331	18,404	95,735
Materials and supplies . . . . .	65,705	-	65,705
Depreciation . . . . .	293,022	10,526	303,548
Utilities . . . . .	52,518	-	52,518
Other . . . . .	173	-	173
Total operating expenses . . . . .	<u>720,488</u>	<u>28,930</u>	<u>749,418</u>
Operating income (loss) . . . . .	<u>(565,501)</u>	<u>15,281</u>	<u>(550,220)</u>
<b>Nonoperating revenues:</b>			
Other nonoperating revenue . . . . .	1,404	-	1,404
Municipal income tax . . . . .	271,518	-	271,518
Total nonoperating revenues . . . . .	<u>272,922</u>	<u>-</u>	<u>272,922</u>
Changes in net assets . . . . .	(292,579)	15,281	(277,298)
<b>Net assets at beginning of year (restated) . . .</b>	<u>4,526,114</u>	<u>234,070</u>	<u>4,760,184</u>
<b>Net assets at end of year . . . . .</b>	<u>\$ 4,233,535</u>	<u>\$ 249,351</u>	<u>\$ 4,482,886</u>

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Airport Operating</u>	<u>Parking Garage</u>	<u>Total</u>
<b>Cash flows from operating activities:</b>			
Cash received from customers . . . . .	\$ 161,804	\$ 44,211	\$ 206,015
Cash received from other operating revenues . . . . .	256,324	-	256,324
Cash payments to employees. . . . .	(200,578)	-	(200,578)
Cash payments to suppliers . . . . .	(180,920)	(18,404)	(199,324)
Cash payments for other operating expenses. . . . .	<u>(45,640)</u>	<u>-</u>	<u>(45,640)</u>
Net cash provided by (used in) operating activities . . . . .	(9,010)	25,807	16,797
<b>Cash and cash equivalents at beginning of year. . . . .</b>	<u>109,130</u>	<u>62,830</u>	<u>171,960</u>
<b>Cash and cash equivalents at end of year . . . . .</b>	<u>\$ 100,120</u>	<u>\$ 88,637</u>	<u>\$ 188,757</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss) . . . . .	\$ (565,501)	\$ 15,281	\$ (550,220)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation . . . . .	293,022	10,526	303,548
Other non-operating revenues. . . . .	1,404	-	1,404
Municipal income tax. . . . .	271,518	-	271,518
Changes in assets and liabilities:			
Decrease in accounts receivable . . . . .	11,207	-	11,207
Decrease in taxes receivable . . . . .	33,405	-	33,405
Decrease in materials and inventory of supplies. . . . .	17,278	-	17,278
(Decrease) in accounts payable. . . . .	(2,644)	-	(2,644)
(Decrease) in contracts payable . . . . .	(203)	-	(203)
(Decrease) in accrued wages and benefits . . . . .	(594)	-	(594)
(Decrease) in due to other governments . . . . .	(7,656)	-	(7,656)
(Decrease) in compensated absences payable . . . . .	(5,853)	-	(5,853)
(Decrease) in deferred revenue. . . . .	<u>(54,393)</u>	<u>-</u>	<u>(54,393)</u>
Net cash provided by (used in) operating activities . . . . .	<u>\$ (9,010)</u>	<u>\$ 25,807</u>	<u>\$ 16,797</u>

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## CITY OF MANSFIELD, OHIO

### COMBINING STATEMENTS - INTERNAL SERVICE FUNDS

#### FUND DESCRIPTIONS

##### **Internal Service Funds**

The internal service funds account for the financing of goods or services provided by one department or agency to other departments of the City of Mansfield on a cost-reimbursement basis. Accounting for these funds is designed to accumulate all of the costs incurred by the internal service funds in providing goods and services to other departments. However, charges to the other departments are not intended to produce a significant profit in the long run, but to recover the total costs of providing goods or services.

***Gargage Operating:***

To account for the operation of the municipal vehicle repair garage for work performed for all departments and for the operation of a vehicle/equipment motor pool.

***Data Processing:***

To account for the operation of the municipal data processing department for work performed for all departments.

***Utility Collections:***

To account for the operation of the utility collections department for services provided to the water, sewer, codes and permits, and parking departments. The funds using the utility billing service are charged for the cost of the operation.

***Health Insurance:***

To account for the expenses incurred in the activity of self insurance by the City for employee health insurance.

***OML Self Insurance:***

To account for the expenses incurred in the activity of liability insurance as a member of the Ohio Municipal League Joint Self-Insurance Pool.

***Workers' Compensation:***

To account for the expenses incurred in the activity of the State Workers Compensation System.

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF NET ASSETS  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2003

	<u>Garage Operating</u>	<u>Data Processing</u>	<u>Utility Collections</u>
<b>Assets:</b>			
Current assets:			
Equity in pooled cash and cash equivalents . . . . .	\$ 679,202	\$ 72,524	\$ 34,598
Materials and supplies inventory . . . . .	3,435	13,341	38,285
Total current assets. . . . .	<u>682,637</u>	<u>85,865</u>	<u>72,883</u>
Noncurrent assets:			
Capital assets:			
Depreciable capital assets, net . . . . .	2,096,762	69,711	33,535
Total capital assets . . . . .	<u>2,096,762</u>	<u>69,711</u>	<u>33,535</u>
Total assets . . . . .	<u>\$ 2,779,399</u>	<u>\$ 155,576</u>	<u>\$ 106,418</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable. . . . .	\$ 26,534	\$ 1,452	\$ 463
Accrued wages and benefits . . . . .	13,816	6,740	20,965
Due to other governments . . . . .	18,305	8,752	28,523
Claims payable. . . . .	-	-	-
Loans from other funds . . . . .	-	-	-
Total current liabilities. . . . .	<u>58,655</u>	<u>16,944</u>	<u>49,951</u>
Long-term liabilities:			
Compensated absences . . . . .	88,543	53,400	116,031
Total long-term liabilities. . . . .	<u>88,543</u>	<u>53,400</u>	<u>116,031</u>
Total liabilities . . . . .	<u>147,198</u>	<u>70,344</u>	<u>165,982</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt. . . . .	2,096,762	69,711	33,535
Unrestricted (deficit). . . . .	535,439	15,521	(93,099)
Total net assets (deficit). . . . .	<u>\$ 2,632,201</u>	<u>\$ 85,232</u>	<u>\$ (59,564)</u>

<u>Health Insurance</u>	<u>OML Self Insurance</u>	<u>Workers' Compensation</u>	<u>Total</u>
\$ 26,791	\$ 31,863	\$ 84,704	\$ 929,682
-	-	-	55,061
<u>26,791</u>	<u>31,863</u>	<u>84,704</u>	<u>984,743</u>
-	-	-	2,200,008
-	-	-	<u>2,200,008</u>
<u>\$ 26,791</u>	<u>\$ 31,863</u>	<u>\$ 84,704</u>	<u>\$ 3,184,751</u>
\$ 31,067	\$ -	\$ -	\$ 59,516
-	-	-	41,521
-	-	-	55,580
754,261	-	-	754,261
980,000	-	-	980,000
<u>1,765,328</u>	<u>-</u>	<u>-</u>	<u>1,890,878</u>
-	-	-	257,974
-	-	-	<u>257,974</u>
<u>1,765,328</u>	<u>-</u>	<u>-</u>	<u>2,148,852</u>
-	-	-	2,200,008
<u>(1,738,537)</u>	<u>31,863</u>	<u>84,704</u>	<u>(1,164,109)</u>
<u>\$ (1,738,537)</u>	<u>\$ 31,863</u>	<u>\$ 84,704</u>	<u>\$ 1,035,899</u>

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Garage Operating</u>	<u>Data Processing</u>	<u>Utility Collections</u>
<b>Operating revenues:</b>			
Charges for services . . . . .	\$ 1,319,404	\$ 625,902	\$ 1,278,778
Total operating revenues . . . . .	<u>1,319,404</u>	<u>625,902</u>	<u>1,278,778</u>
<b>Operating expenses:</b>			
Personal services . . . . .	345,451	192,617	589,561
Fringe benefits . . . . .	73,153	31,543	123,620
Contractual services . . . . .	155,176	238,861	352,349
Materials and supplies . . . . .	489,264	42,661	182,866
Depreciation . . . . .	590,117	51,416	18,986
Utilities . . . . .	39,375	-	-
Claims expense . . . . .	-	-	-
Total operating expenses . . . . .	<u>1,692,536</u>	<u>557,098</u>	<u>1,267,382</u>
Operating income (loss) . . . . .	<u>(373,132)</u>	<u>68,804</u>	<u>11,396</u>
<b>Nonoperating revenues (expenses):</b>			
Other nonoperating revenue . . . . .	2,166	-	3,955
Interest and fiscal charges . . . . .	-	(938)	-
Total nonoperating revenues (expenses) . . . . .	<u>2,166</u>	<u>(938)</u>	<u>3,955</u>
Changes in net assets . . . . .	(370,966)	67,866	15,351
<b>Net assets (deficit) at beginning of year (restated)</b>	<u>3,003,167</u>	<u>17,366</u>	<u>(74,915)</u>
<b>Net assets (deficit) at end of year . . . . .</b>	<u>\$ 2,632,201</u>	<u>\$ 85,232</u>	<u>\$ (59,564)</u>



<b>Health Insurance</b>	<b>OML Self Insurance</b>	<b>Workers' Compensation</b>	<b>Total</b>
\$ 5,135,279	\$ 414,997	\$ 326,805	\$ 9,101,165
5,135,279	414,997	326,805	9,101,165
-	-	-	1,127,629
-	-	-	228,316
513,049	383,134	380,862	2,023,431
-	-	-	714,791
-	-	-	660,519
-	-	-	39,375
5,408,138	-	-	5,408,138
5,921,187	383,134	380,862	10,202,199
(785,908)	31,863	(54,057)	(1,101,034)
-	-	-	6,121
-	-	-	(938)
-	-	-	5,183
(785,908)	31,863	(54,057)	(1,095,851)
(952,629)	-	138,761	2,131,750
\$ (1,738,537)	\$ 31,863	\$ 84,704	\$ 1,035,899

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Garage Operating</u>	<u>Data Processing</u>	<u>Utility Collections</u>
<b>Cash flows from operating activities:</b>			
Cash received from customers . . . . .	\$ 1,319,404	\$ 625,902	\$ 1,278,778
Cash received from other operating revenues . . . . .	2,166	-	3,955
Cash payments to employees . . . . .	(343,436)	(194,015)	(604,024)
Cash payments for suppliers . . . . .	(704,962)	(280,701)	(551,122)
Cash payments for claims expense . . . . .	-	-	-
Cash payments for other operating expenses . . . . .	(85,428)	(35,810)	(140,404)
Net cash provided by (used in) operating activities . . . . .	<u>187,744</u>	<u>115,376</u>	<u>(12,817)</u>
<b>Cash flows from noncapital financing activities:</b>			
Advance to other funds . . . . .	-	-	-
Advance from other funds . . . . .	-	-	-
Net cash provided by noncapital financing activities . . . . .	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash flows from capital and related financing activities:</b>			
Acquisition of capital assets . . . . .	-	(16,868)	-
Principal paid on equipment contracts . . . . .	-	(38,711)	-
Interest paid on equipment contracts . . . . .	-	(938)	-
Net cash used in capital and related financing activities . . . . .	<u>-</u>	<u>(56,517)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents . . . . .	187,744	58,859	(12,817)
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<u>491,458</u>	<u>13,665</u>	<u>47,415</u>
<b>Cash and cash equivalents at end of year . . . . .</b>	<u><u>\$ 679,202</u></u>	<u><u>\$ 72,524</u></u>	<u><u>\$ 34,598</u></u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss) . . . . .	\$ (373,132)	\$ 68,804	\$ 11,396
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation . . . . .	590,117	51,416	18,986
Other nonoperating revenues . . . . .	2,166	-	3,955
Changes in assets and liabilities:			
(Increase) decrease in inventory of supplies . . . . .	(106)	817	(14,264)
Increase (decrease) in accounts payable . . . . .	(20,966)	4	(1,643)
(Decrease) in contracts payable . . . . .	-	-	(231)
Increase (decrease) in accrued wages and benefits . . . . .	(2,145)	569	(1,097)
(Decrease) in due to other governments . . . . .	(12,350)	(4,267)	(16,553)
Increase (decrease) in compensated absences payable . . . . .	4,160	(1,967)	(13,366)
Increase in claims payable . . . . .	-	-	-
Net cash provided by (used in) operating activities . . . . .	<u><u>\$ 187,744</u></u>	<u><u>\$ 115,376</u></u>	<u><u>\$ (12,817)</u></u>

<b>Health Insurance</b>	<b>OML Self Insurance</b>	<b>Workers' Compensation</b>	<b>Total</b>
\$ 5,135,279	\$ 414,997	\$ 326,805	\$ 9,101,165
-	-	-	6,121
-	-	-	(1,141,475)
(492,725)	(383,134)	(380,862)	(2,793,506)
(5,137,399)	-	-	(5,137,399)
-	-	-	(261,642)
<u>(494,845)</u>	<u>31,863</u>	<u>(54,057)</u>	<u>(226,736)</u>
(600,000)	-	-	(600,000)
980,000	-	-	980,000
<u>380,000</u>	<u>-</u>	<u>-</u>	<u>380,000</u>
-	-	-	(16,868)
-	-	-	(38,711)
-	-	-	(938)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(56,517)</u>
(114,845)	31,863	(54,057)	96,747
141,636	-	138,761	832,935
<u>\$ 26,791</u>	<u>\$ 31,863</u>	<u>\$ 84,704</u>	<u>\$ 929,682</u>
\$ (785,908)	\$ 31,863	\$ (54,057)	\$ (1,101,034)
-	-	-	660,519
-	-	-	6,121
-	-	-	(13,553)
20,324	-	-	(2,281)
-	-	-	(231)
-	-	-	(2,673)
-	-	-	(33,170)
-	-	-	(11,173)
<u>270,739</u>	<u>-</u>	<u>-</u>	<u>270,739</u>
<u>\$ (494,845)</u>	<u>\$ 31,863</u>	<u>\$ (54,057)</u>	<u>\$ (226,736)</u>

**CITY OF MANSFIELD, OHIO**

**COMBINING STATEMENTS - FIDUCIARY FUNDS**

**FUND DESCRIPTIONS**

Fiduciary funds are used to account for assets held by the City in a trustee capacity, or as an agent for individuals, private organizations, other governmental units, and/or funds. These funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results of operations. The following are the City's fiduciary fund types:

**Agency Funds**

***OSP Fines Fund***

To account for monies collected through Ohio State Patrol fines that are then distributed to the local Law Library organization.

***Sewer and Street Opening Fund***

To account for monies deposited with the City by individuals who intend to excavate portions of City streets or sidewalks.

***Building Security Fund***

To account for deposits received from individuals to guarantee proper demolition and removal of structures damaged by fire.

***Payroll Agency Fund***

To account for monies aggregated from the various operating funds for payroll and payroll-related liabilities. As a pay period closed, the operating funds record the gross pay as expenditures or expenses; the payroll agency fund simultaneously records the various liabilities.

***Municipal Court Fund***

To account for monies that flow through the Clerk of Courts office.

***Transient Occupancy Tax Fund***

To account for collections of local tax on hotel/motel guests. Monies collected go to the Richland County Convention & Visitors Bureau, the local Main Street USA, and other miscellaneous agencies.

***Board of Standards Assessments Fund***

To account for fees, for the acceptance and approval of building plans.

***Utility Deposits Fund***

To account for monies deposited with the City by individuals for water and sewer service.

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 DECEMBER 31, 2003

	<u>Balance 01/01/03</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/03</u>
<b>OSP Fines</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ -	\$ 65,020	\$ 63,000	\$ 2,020
Receivables (net of allowances of uncollectibles):				
Due from other governments . . . . .	5,554	64,398	65,020	4,932
Total assets . . . . .	<u>\$ 5,554</u>	<u>\$ 129,418</u>	<u>\$ 128,020</u>	<u>\$ 6,952</u>
<b>Liabilities:</b>				
Due to individuals . . . . .	\$ 5,554	\$ 64,398	\$ 63,000	\$ 6,952
Total liabilities. . . . .	<u>\$ 5,554</u>	<u>\$ 64,398</u>	<u>\$ 63,000</u>	<u>\$ 6,952</u>
<b>Sewer and Street Opening</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 11,864	\$ 8,164	\$ 8,260	\$ 11,768
Total assets . . . . .	<u>\$ 11,864</u>	<u>\$ 8,164</u>	<u>\$ 8,260</u>	<u>\$ 11,768</u>
<b>Liabilities:</b>				
Due to individuals . . . . .	\$ 11,864	\$ 8,164	\$ 8,260	\$ 11,768
Total liabilities. . . . .	<u>\$ 11,864</u>	<u>\$ 8,164</u>	<u>\$ 8,260</u>	<u>\$ 11,768</u>
<b>Building Security</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 26,670	\$ 16,896	\$ 31,570	\$ 11,996
Total assets . . . . .	<u>\$ 26,670</u>	<u>\$ 16,896</u>	<u>\$ 31,570</u>	<u>\$ 11,996</u>
<b>Liabilities:</b>				
Due to individuals . . . . .	\$ 26,670	\$ 16,896	\$ 31,570	\$ 11,996
Total liabilities. . . . .	<u>\$ 26,670</u>	<u>\$ 16,896</u>	<u>\$ 31,570</u>	<u>\$ 11,996</u>
<b>Payroll Agency</b>				
<b>Assets:</b>				
Cash and cash equivalents with fiscal agents . . . . .	\$ 163,004	\$ 24,306,234	\$ 24,335,411	\$ 133,827
Total assets . . . . .	<u>\$ 163,004</u>	<u>\$ 24,306,234</u>	<u>\$ 24,335,411</u>	<u>\$ 133,827</u>
<b>Liabilities:</b>				
Due to other governments . . . . .	\$ 120,327	\$ 6,742,179	\$ 6,770,313	\$ 92,193
Due to individuals . . . . .	42,677	17,564,055	17,565,098	41,634
Total liabilities. . . . .	<u>\$ 163,004</u>	<u>\$ 24,306,234</u>	<u>\$ 24,335,411</u>	<u>\$ 133,827</u>

(continued)

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS (CONTINUED)  
 DECEMBER 31, 2003

	<u>Balance 01/01/03</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/03</u>
<b>Municipal Court</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 643,898	\$ 4,917,928	\$ 5,059,905	\$ 501,921
Investments. . . . .	205,000	-	-	205,000
Total assets . . . . .	<u>\$ 848,898</u>	<u>\$ 4,917,928</u>	<u>\$ 5,059,905</u>	<u>\$ 706,921</u>
<b>Liabilities:</b>				
Due to other governments . . . . .	\$ 249,028	\$ 3,240,616	\$ 3,244,641	\$ 245,003
Due to individuals . . . . .	663	23,596	23,863	396
Undistributed monies . . . . .	599,207	1,653,716	1,791,401	461,522
Total liabilities. . . . .	<u>\$ 848,898</u>	<u>\$ 4,917,928</u>	<u>\$ 5,059,905</u>	<u>\$ 706,921</u>
<b>Transient Occupancy Tax</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ -	\$ 185,991	\$ 185,991	\$ -
Receivables (net of allowances of uncollectibles):				
Taxes . . . . .	9,801	184,437	185,991	8,247
Total assets . . . . .	<u>\$ 9,801</u>	<u>\$ 370,428</u>	<u>\$ 371,982</u>	<u>\$ 8,247</u>
<b>Liabilities:</b>				
Due to other governments . . . . .	\$ 490	\$ 9,222	\$ 9,300	\$ 412
Due to individuals . . . . .	9,311	175,215	176,691	7,835
Total liabilities. . . . .	<u>\$ 9,801</u>	<u>\$ 184,437</u>	<u>\$ 185,991</u>	<u>\$ 8,247</u>
<b>Board of Standards Assessments</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 406	\$ 1,990	\$ 2,058	\$ 338
Total assets . . . . .	<u>\$ 406</u>	<u>\$ 1,990</u>	<u>\$ 2,058</u>	<u>\$ 338</u>
<b>Liabilities:</b>				
Due to other governments . . . . .	\$ 406	\$ 1,990	\$ 2,058	\$ 338
Total liabilities. . . . .	<u>\$ 406</u>	<u>\$ 1,990</u>	<u>\$ 2,058</u>	<u>\$ 338</u>

(continued)

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS (CONTINUED)  
 DECEMBER 31, 2003

	<u>Balance 01/01/03</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/03</u>
<b>Utility Deposits</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 400	\$ 200	\$ 100	\$ 500
Total assets . . . . .	<u>\$ 400</u>	<u>\$ 200</u>	<u>\$ 100</u>	<u>\$ 500</u>
<b>Liabilities:</b>				
Due to individuals . . . . .	\$ 400	\$ 200	\$ 100	\$ 500
Total liabilities. . . . .	<u>\$ 400</u>	<u>\$ 200</u>	<u>\$ 100</u>	<u>\$ 500</u>
<b>Total Agency Funds</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 683,238	\$ 5,196,189	\$ 5,350,884	\$ 528,543
Cash and cash equivalents with fiscal agents . . . . .	163,004	24,306,234	24,335,411	133,827
Investments. . . . .	205,000	-	-	205,000
Receivables (net of allowances of uncollectibles):				
Taxes . . . . .	9,801	184,437	185,991	8,247
Due from other governments . . . . .	5,554	64,398	65,020	4,932
Total assets . . . . .	<u>\$ 1,066,597</u>	<u>\$ 29,751,258</u>	<u>\$ 29,937,306</u>	<u>\$ 880,549</u>
<b>Liabilities:</b>				
Due to other governments . . . . .	\$ 370,251	\$ 9,994,007	\$ 10,026,312	\$ 337,946
Due to individuals . . . . .	97,139	17,852,524	17,868,582	81,081
Undistributed monies . . . . .	599,207	1,653,716	1,791,401	461,522
Total liabilities. . . . .	<u>\$ 1,066,597</u>	<u>\$ 29,500,247</u>	<u>\$ 29,686,295</u>	<u>\$ 880,549</u>

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INDIVIDUAL FUND SCHEDULES OF  
REVENUES, EXPENDITURES/EXPENSES AND  
CHANGES IN FUND BALANCE/EQUITY -  
BUDGET AND ACTUAL (NON-GAAP  
BUDGETARY BASIS)

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property and other local taxes . . . . .	\$ 1,749,000	\$ 1,940,835	\$ 1,940,726	\$ (109)
Charges for services . . . . .	43,200	32,650	30,443	(2,207)
Licenses, permits and fees . . . . .	405,400	459,702	458,629	(1,073)
Fines and forfeitures . . . . .	1,527,900	1,379,570	1,377,009	(2,561)
Intergovernmental . . . . .	3,777,028	4,058,975	4,233,290	174,315
Special assessments . . . . .	22,600	45,633	45,633	-
Investment income . . . . .	583,974	435,389	423,596	(11,793)
Other . . . . .	122,500	166,816	169,054	2,238
Total revenues . . . . .	8,231,602	8,519,570	8,678,380	158,810
<b>Expenditures:</b>				
Current:				
Public safety				
Safety town				
Materials and supplies . . . . .	8,275	8,874	8,646	228
Street lighting				
Contractual services . . . . .	288,570	335,570	335,001	569
Housing of prisoners				
Contractual services . . . . .	500,000	732,000	730,414	1,586
Total public safety . . . . .	796,845	1,076,444	1,074,061	2,383
Public health and welfare				
Human relations				
Other . . . . .	56,087	56,087	814	55,273
Indigent burial				
Other . . . . .	8,750	9,250	9,250	-
Dog warden				
Other . . . . .	30,000	30,000	30,000	-
Total public health and welfare . . . . .	94,837	95,337	40,064	55,273
Leisure time activities				
Parks				
Personal services . . . . .	376,200	317,293	317,293	-
Fringe benefits . . . . .	750	298	298	-
Materials and supplies . . . . .	72,650	67,650	67,429	221
Contractual services . . . . .	100,990	95,835	95,671	164
Other . . . . .	500	500	304	196
Adopt-a-park				
Other . . . . .	15,953	15,953	11,542	4,411
Recreation				
Personal services . . . . .	81,600	57,145	57,145	-
Materials and supplies . . . . .	6,000	5,659	5,659	-
Contractual services . . . . .	11,667	13,467	13,357	110
Total leisure time activities . . . . .	666,310	573,800	568,698	5,102

(continued)

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Community environment				
Codes and permits				
Personal services . . . . .	349,345	345,445	345,373	72
Fringe benefits . . . . .	450	450	450	-
Materials and supplies . . . . .	16,481	6,481	6,354	127
Contractual services . . . . .	130,220	126,998	126,863	135
Other . . . . .	1,000	1,000	916	84
Total community environment . . . . .	497,496	480,374	479,956	418
General government				
Council				
Personal services . . . . .	135,249	135,138	135,138	-
Materials and supplies . . . . .	1,500	1,120	1,120	-
Other . . . . .	2,670	2,313	2,313	-
Human resource director				
Personal services . . . . .	176,527	167,573	167,573	-
Materials and supplies . . . . .	10,656	6,656	6,098	558
Contractual services . . . . .	41,688	48,206	48,206	-
Other . . . . .	43,000	8,358	7,684	674
Mayor				
Personal services . . . . .	110,228	110,328	110,051	277
Materials and supplies . . . . .	22,497	14,597	13,921	676
Contractual services . . . . .	15,000	5,900	4,966	934
Other . . . . .	3,600	1,100	1,009	91
Finance director				
Personal services . . . . .	382,583	380,214	379,997	217
Materials and supplies . . . . .	18,800	17,300	17,279	21
Contractual services . . . . .	143,185	176,385	174,688	1,697
Other . . . . .	1,000	1,000	265	735
Law director				
Personal services . . . . .	465,228	467,228	466,927	301
Materials and supplies . . . . .	56,942	56,942	56,389	553
Contractual services . . . . .	29,000	41,500	41,425	75
Other . . . . .	78,036	62,855	60,399	2,456
Municipal court				
Personal services . . . . .	896,640	881,757	881,726	31
Materials and supplies . . . . .	33,667	24,467	24,426	41
Contractual services . . . . .	309,862	368,262	367,351	911
Other . . . . .	4,000	1,049	1,049	-
Clerk of court				
Personal services . . . . .	708,332	686,332	685,963	369
Materials and supplies . . . . .	74,686	88,686	87,928	758
Other . . . . .	200	200	-	200

(continued)

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Judicial				
Other . . . . .	19,000	19,000	18,992	8
Civil service commission				
Personal services . . . . .	19,500	19,500	19,500	-
Contractual services . . . . .	28,000	28,000	28,000	-
Safety/service director				
Personal services . . . . .	70,229	70,229	70,229	-
Materials and supplies . . . . .	3,000	1,960	1,960	-
Contractual services . . . . .	16,602	13,601	13,248	353
Capital outlay . . . . .	-	40,400	40,400	-
Other . . . . .	500	500	-	500
Engineering				
Personal services . . . . .	208,613	211,813	211,701	112
Materials and supplies . . . . .	6,580	6,383	6,383	-
Contractual services . . . . .	13,989	10,044	10,023	21
Capital outlay . . . . .	4,700	3,500	3,500	-
Other . . . . .	8,195	7,455	7,455	-
City building and public lands				
Personal services . . . . .	182,170	185,670	185,500	170
Fringe benefits . . . . .	492	492	225	267
Materials and supplies . . . . .	80,283	49,933	49,933	-
Contractual services . . . . .	304,000	216,609	216,609	-
Income tax administration				
Personal services . . . . .	359,902	362,827	362,827	-
Materials and supplies . . . . .	63,756	73,756	73,249	507
Contractual services . . . . .	20,035	15,844	15,824	20
Other . . . . .	1,000	215	215	-
Miscellaneous				
Fringe benefits . . . . .	800,126	866,241	866,180	61
Contractual services . . . . .	565,770	529,430	529,419	11
Other . . . . .	10,445	33,596	33,596	-
Special assessments				
Special assessments . . . . .	5,395	5,395	2,781	2,614
Total general government . . . . .	<u>6,557,058</u>	<u>6,527,859</u>	<u>6,511,640</u>	<u>16,219</u>

(continued)

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Total expenditures . . . . .	8,612,546	8,753,814	8,674,419	79,395
Excess (deficiency) of revenues over (under) expenditures . . . . .	(380,944)	(234,244)	3,961	238,205
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	2,446,612	2,624,612	2,323,911	(300,701)
Transfers out . . . . .	(2,167,564)	(2,391,046)	(2,391,046)	-
Total other financing sources (uses) . . . . .	279,048	233,566	(67,135)	(300,701)
Net change in fund balance . . . . .	(101,896)	(678)	(63,174)	(62,496)
<b>Fund balance at beginning of year . . . . .</b>	381,947	381,947	381,947	-
<b>Prior year encumbrances appropriated . . . . .</b>	181,397	181,397	181,397	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 461,448</u>	<u>\$ 562,666</u>	<u>\$ 500,170</u>	<u>\$ (62,496)</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COMMUNITY DEVELOPMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 3,300,000	\$ 4,763,002	\$ 1,759,677	\$ (3,003,325)
Investment income . . . . .	100,000	100,000	95,197	(4,803)
Other . . . . .	378,000	488,000	481,867	(6,133)
Total revenues . . . . .	<u>3,778,000</u>	<u>5,351,002</u>	<u>2,336,741</u>	<u>(3,014,261)</u>
<b>Expenditures:</b>				
Current:				
Community environment				
Personal services . . . . .	314,870	314,870	307,176	7,694
Fringe benefits . . . . .	140,877	147,877	130,125	17,752
Materials and supplies . . . . .	28,439	28,439	26,630	1,809
Contractual services . . . . .	2,307,718	3,380,720	1,142,341	2,238,379
Other . . . . .	630,840	880,840	560,004	320,836
Total expenditures . . . . .	<u>3,422,744</u>	<u>4,752,746</u>	<u>2,166,276</u>	<u>2,586,470</u>
Excess of revenues over expenditures . . . . .	<u>355,256</u>	<u>598,256</u>	<u>170,465</u>	<u>(427,791)</u>
<b>Other financing uses:</b>				
Transfers out . . . . .	<u>(265,779)</u>	<u>(265,779)</u>	<u>(256,825)</u>	<u>8,954</u>
Total other financing uses . . . . .	<u>(265,779)</u>	<u>(265,779)</u>	<u>(256,825)</u>	<u>8,954</u>
Net change in fund balance . . . . .	89,477	332,477	(86,360)	(418,837)
<b>Fund balance at beginning of year . . . . .</b>	128,962	128,962	128,962	-
<b>Prior year encumbrances appropriated . . . . .</b>	7,697	7,697	7,697	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 226,136</u>	<u>\$ 469,136</u>	<u>\$ 50,299</u>	<u>\$ (418,837)</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SAFETY SERVICES FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property and other local taxes . . . . .	\$ 361,000	\$ 388,600	\$ 388,224	\$ (376)
Licenses, permits and fees . . . . .	116,250	139,750	129,313	(10,437)
Fines and forfeitures . . . . .	228,100	194,000	122,989	(71,011)
Intergovernmental . . . . .	48,600	48,600	48,234	(366)
Other . . . . .	91,500	101,500	42,082	(59,418)
	<u>845,450</u>	<u>872,450</u>	<u>730,842</u>	<u>(141,608)</u>
Total revenues . . . . .				
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services . . . . .	11,868,647	11,839,359	11,504,784	334,575
Fringe benefits . . . . .	3,496,030	3,536,106	3,328,191	207,915
Materials and supplies . . . . .	274,161	314,111	269,599	44,512
Contractual services . . . . .	316,752	308,373	235,672	72,701
Capital outlay . . . . .	126,502	126,502	83,833	42,669
Other . . . . .	173,200	229,891	224,630	5,261
	<u>16,255,292</u>	<u>16,354,342</u>	<u>15,646,709</u>	<u>707,633</u>
Total expenditures . . . . .				
Deficiency of revenues under expenditures . . . . .	(15,409,842)	(15,481,892)	(14,915,867)	566,025
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	18,960,541	18,990,541	18,319,492	(671,049)
Transfers out . . . . .	(3,911,716)	(3,911,716)	(3,711,715)	200,001
	<u>15,048,825</u>	<u>15,078,825</u>	<u>14,607,777</u>	<u>(471,048)</u>
Total other financing sources (uses) . . . . .				
Net change in fund balance . . . . .	(361,017)	(403,067)	(308,090)	94,977
Fund balance at beginning of year . . . . .	427,245	427,245	427,245	-
Prior year encumbrances appropriated . . . . .	17,118	17,118	17,118	-
	<u>83,346</u>	<u>41,296</u>	<u>136,273</u>	<u>94,977</u>
Fund balance at end of year . . . . .				

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 JUSTICE CENTER FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income . . . . .	\$ 39,499	\$ 99,499	\$ 62,666	\$ (36,833)
Total revenues . . . . .	<u>39,499</u>	<u>99,499</u>	<u>62,666</u>	<u>(36,833)</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	<u>286,629</u>	<u>286,629</u>	<u>20,064</u>	<u>266,565</u>
Total expenditures . . . . .	<u>286,629</u>	<u>286,629</u>	<u>20,064</u>	<u>266,565</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(247,130)</u>	<u>(187,130)</u>	<u>42,602</u>	<u>229,732</u>
<b>Other financing sources (uses):</b>				
Proceeds from the sale of notes . . . . .	-	10,260,000	10,260,000	-
Transfers in . . . . .	1,303,084	1,303,084	1,292,828	(10,256)
Transfers out . . . . .	<u>(10,255,289)</u>	<u>(10,255,289)</u>	<u>(10,255,289)</u>	-
Total other financing sources (uses) . . . . .	<u>(8,952,205)</u>	<u>1,307,795</u>	<u>1,297,539</u>	<u>(10,256)</u>
Net change in fund balance . . . . .	(9,199,335)	1,120,665	1,340,141	219,476
<b>Fund balance at beginning of year . . . . .</b>	8,912,707	8,912,707	8,912,707	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>286,628</u>	<u>286,628</u>	<u>286,628</u>	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ 10,320,000</u>	<u>\$ 10,539,476</u>	<u>\$ 219,476</u>



**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 WATER FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 6,621,414	\$ 6,878,214	\$ 7,307,058	\$ 428,844
Other . . . . .	132,800	126,000	86,477	(39,523)
Total revenues . . . . .	6,754,214	7,004,214	7,393,535	389,321
<b>Expenses:</b>				
Personal services . . . . .	2,407,340	2,479,340	2,435,884	43,456
Fringe benefits . . . . .	532,474	582,474	554,441	28,033
Materials and supplies . . . . .	978,580	978,580	824,034	154,546
Contractual services . . . . .	2,181,330	2,144,330	1,944,251	200,079
Utilities . . . . .	481,354	486,354	459,247	27,107
Capital outlay . . . . .	59,700	19,700	9,699	10,001
Other . . . . .	30,431	30,431	18,404	12,027
Total expenses . . . . .	6,671,209	6,721,209	6,245,960	475,249
Excess of revenues over expenses . . . . .	83,005	283,005	1,147,575	864,570
Transfers in . . . . .	630,000	630,000	622,791	(7,209)
Transfers out . . . . .	(2,951,031)	(4,084,031)	(4,084,031)	-
Net change in fund equity . . . . .	(2,238,026)	(3,171,026)	(2,313,665)	857,361
<b>Fund equity at beginning of year . . . . .</b>	2,241,003	2,241,003	2,241,003	-
<b>Prior year encumbrances appropriated . . . . .</b>	981,010	981,010	981,010	-
<b>Fund equity at end of year . . . . .</b>	<u>\$ 983,987</u>	<u>\$ 50,987</u>	<u>\$ 908,348</u>	<u>\$ 857,361</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SEWER FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 6,549,345	\$ 6,607,345	\$ 6,477,890	\$ (129,455)
Intergovernmental . . . . .	500,000	500,000	-	(500,000)
Investment income . . . . .	50,000	50,000	50,000	-
Other . . . . .	358,750	300,750	282,146	(18,604)
<b>Total revenues.</b> . . . .	<u>7,458,095</u>	<u>7,458,095</u>	<u>6,810,036</u>	<u>(648,059)</u>
<b>Expenses:</b>				
Personal services . . . . .	1,844,273	1,921,973	1,896,716	25,257
Fringe benefits . . . . .	403,187	451,646	436,996	14,650
Materials and supplies . . . . .	636,246	636,246	596,038	40,208
Contractual services . . . . .	3,008,704	2,972,794	1,578,320	1,394,474
Utilities . . . . .	541,198	568,648	558,510	10,138
Capital outlay . . . . .	3,050,000	3,010,000	5,050	3,004,950
Other . . . . .	71,646	71,646	50,239	21,407
<b>Total expenses</b> . . . . .	<u>9,555,254</u>	<u>9,632,953</u>	<u>5,121,869</u>	<u>4,511,084</u>
Excess (deficiency) of revenues over (under) expenses . . . . .	<u>(2,097,159)</u>	<u>(2,174,858)</u>	<u>1,688,167</u>	<u>3,863,025</u>
Proceeds from the sale of notes . . . . .	(2,584,433)	(2,584,433)	(2,584,295)	138
Transfers in . . . . .	2,635,000	2,635,000	2,635,000	-
Transfers out . . . . .	(1,404,178)	(1,404,178)	(1,404,178)	-
<b>Net change in fund equity</b> . . . . .	<u>(3,450,770)</u>	<u>(3,528,469)</u>	<u>334,694</u>	<u>3,863,163</u>
<b>Fund equity at beginning of year</b> . . . . .	<u>3,762,593</u>	<u>3,762,593</u>	<u>3,762,593</u>	<u>-</u>
<b>Prior year encumbrances appropriated</b> . . . . .	<u>273,265</u>	<u>273,265</u>	<u>273,265</u>	<u>-</u>
<b>Fund equity at end of year.</b> . . . .	<u>\$ 585,088</u>	<u>\$ 507,389</u>	<u>\$ 4,370,552</u>	<u>\$ 3,863,163</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 STREET CONSTRUCTION MAINTENANCE AND REPAIR FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 1,540,000	\$ 1,596,000	\$ 1,664,087	\$ 68,087
Investment income . . . . .	1,000	2,000	2,083	83
Other . . . . .	6,900	9,400	10,380	980
<b>Total revenues . . . . .</b>	<u>1,547,900</u>	<u>1,607,400</u>	<u>1,676,550</u>	<u>69,150</u>
<b>Expenditures:</b>				
Current:				
Transportation				
Personal services . . . . .	959,200	917,392	917,392	-
Fringe benefits . . . . .	226,698	228,663	228,560	103
Materials and supplies . . . . .	279,364	352,569	352,569	-
Contractual services . . . . .	547,182	535,460	535,460	-
<b>Total expenditures . . . . .</b>	<u>2,012,444</u>	<u>2,034,084</u>	<u>2,033,981</u>	<u>103</u>
Deficiency of revenues under expenditures . . . . .	(464,544)	(426,684)	(357,431)	69,253
<b>Other financing sources (uses):</b>				
Proceeds from the sale of capital assets . . . . .	30,000	500	-	(500)
Transfers in . . . . .	824,558	824,558	824,558	-
Transfers out . . . . .	(623,057)	(623,057)	(623,057)	-
<b>Total other financing sources (uses) . . . . .</b>	<u>231,501</u>	<u>202,001</u>	<u>201,501</u>	<u>(500)</u>
Net change in fund balance . . . . .	(233,043)	(224,683)	(155,930)	68,753
<b>Fund balance at beginning of year . . . . .</b>	136,088	136,088	136,088	-
<b>Prior year encumbrances appropriated . . . . .</b>	105,743	105,743	105,743	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 8,788</u>	<u>\$ 17,148</u>	<u>\$ 85,901</u>	<u>\$ 68,753</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 STATE HIGHWAY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 125,000	\$ 124,900	\$ 135,632	\$ 10,732
Investment income . . . . .	100	200	169	(31)
Total revenues . . . . .	<u>125,100</u>	<u>125,100</u>	<u>135,801</u>	<u>10,701</u>
<b>Expenditures:</b>				
Current:				
Transportation				
Personal services . . . . .	50,000	50,000	50,000	-
Materials and supplies . . . . .	<u>170,431</u>	<u>170,431</u>	<u>169,650</u>	<u>781</u>
Total expenditures . . . . .	<u>220,431</u>	<u>220,431</u>	<u>219,650</u>	<u>781</u>
Net change in fund balance . . . . .	(95,331)	(95,331)	(83,849)	11,482
<b>Fund balance at beginning of year . . . . .</b>	<u>95,331</u>	<u>95,331</u>	<u>95,331</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,482</u>	<u>\$ 11,482</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 NEIGHBORHOOD YOUTH CORP FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 118,000	\$ 260,000	\$ 247,888	\$ (12,112)
Intergovernmental . . . . .	1,860,749	1,710,653	1,564,717	(145,936)
Other . . . . .	9,000	29,100	27,714	(1,386)
Total revenues . . . . .	<u>1,987,749</u>	<u>1,999,753</u>	<u>1,840,319</u>	<u>(159,434)</u>
<b>Expenditures:</b>				
Current:				
General government				
Personal services . . . . .	1,217,814	1,166,753	980,231	186,522
Fringe benefits . . . . .	205,789	200,789	166,113	34,676
Materials and supplies . . . . .	93,635	144,435	132,625	11,810
Contractual services . . . . .	294,867	487,228	486,720	508
Capital outlay . . . . .	10,000	20,000	17,968	2,032
Other . . . . .	10,585	10,585	9,480	1,105
Total expenditures . . . . .	<u>1,832,690</u>	<u>2,029,790</u>	<u>1,793,137</u>	<u>236,653</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>155,059</u>	<u>(30,037)</u>	<u>47,182</u>	<u>77,219</u>
<b>Other financing uses:</b>				
Transfers out . . . . .	<u>(312,609)</u>	<u>(312,609)</u>	<u>(311,503)</u>	<u>1,106</u>
Total other financing uses . . . . .	<u>(312,609)</u>	<u>(312,609)</u>	<u>(311,503)</u>	<u>1,106</u>
Net change in fund balance . . . . .	<u>(157,550)</u>	<u>(342,646)</u>	<u>(264,321)</u>	<u>78,325</u>
<b>Fund balance at beginning of year . . . . .</b>	<u>335,316</u>	<u>335,316</u>	<u>335,316</u>	<u>-</u>
<b>Prior year encumbrances appropriated . . . . .</b>	<u>16,088</u>	<u>16,088</u>	<u>16,088</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 193,854</u>	<u>\$ 8,758</u>	<u>\$ 87,083</u>	<u>\$ 78,325</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 DRUG LAW ENFORCEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 16,000	\$ 16,000	\$ 6,107	\$ (9,893)
Total revenues . . . . .	<u>16,000</u>	<u>16,000</u>	<u>6,107</u>	<u>(9,893)</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Other . . . . .	<u>50,810</u>	<u>50,810</u>	<u>-</u>	<u>50,810</u>
Total expenditures . . . . .	<u>50,810</u>	<u>50,810</u>	<u>-</u>	<u>50,810</u>
Net change in fund balance . . . . .	(34,810)	(34,810)	6,107	40,917
<b>Fund balance at beginning of year . . . . .</b>	<u>34,810</u>	<u>34,810</u>	<u>34,810</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,917</u>	<u>\$ 40,917</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 LAW ENFORCEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 27,000	\$ 26,900	\$ 4,000	\$ (22,900)
Investment income . . . . .	1,050	1,150	1,160	10
Other . . . . .	50	50	-	(50)
Total revenues . . . . .	<u>28,100</u>	<u>28,100</u>	<u>5,160</u>	<u>(22,940)</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Other . . . . .	<u>96,621</u>	<u>96,621</u>	<u>22,899</u>	<u>73,722</u>
Total expenditures . . . . .	<u>96,621</u>	<u>96,621</u>	<u>22,899</u>	<u>73,722</u>
Net change in fund balance . . . . .	(68,521)	(68,521)	(17,739)	50,782
<b>Fund balance at beginning of year . . . . .</b>	89,266	89,266	89,266	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>1,622</u>	<u>1,622</u>	<u>1,622</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 22,367</u>	<u>\$ 22,367</u>	<u>\$ 73,149</u>	<u>\$ 50,782</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PERMISSIVE SALES TAX FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 850,000	\$ 850,000	\$ 980,837	\$ 130,837
Other . . . . .	100,000	100,000	52,712	(47,288)
Total revenues . . . . .	950,000	950,000	1,033,549	83,549
<b>Expenditures:</b>				
Current:				
Transportation				
Contractual services . . . . .	918,739	893,739	271,319	622,420
Other . . . . .	5,431	5,431	5,431	-
Total expenditures . . . . .	924,170	899,170	276,750	622,420
Excess of revenues over expenditures . . . . .	25,830	50,830	756,799	705,969
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	19,636	19,636	19,636	-
Transfers out . . . . .	(402,600)	(427,600)	(427,600)	-
Total other financing sources (uses) . . . . .	(382,964)	(407,964)	(407,964)	-
Net change in fund balance . . . . .	(357,134)	(357,134)	348,835	705,969
<b>Fund balance at beginning of year . . . . .</b>	290,497	290,497	290,497	-
<b>Prior year encumbrances appropriated . . . . .</b>	66,637	66,637	66,637	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 705,969</u>	<u>\$ 705,969</u>



**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 INDUSTRIAL DEVELOPMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 350,000	\$ 350,000	\$ 339,675	\$ (10,325)
Investment income . . . . .	8,000	8,000	8,077	77
Other . . . . .	643,800	583,800	57,295	(526,505)
<b>Total revenues . . . . .</b>	<u>1,001,800</u>	<u>941,800</u>	<u>405,047</u>	<u>(536,753)</u>
<b>Expenditures:</b>				
Current:				
General government				
Personal services . . . . .	32,000	32,000	32,000	-
Materials and supplies . . . . .	31,000	25,000	8,144	16,856
Contractual services . . . . .	1,758,162	1,804,162	1,034,235	769,927
Other . . . . .	72,000	32,000	32,000	-
<b>Total expenditures . . . . .</b>	<u>1,893,162</u>	<u>1,893,162</u>	<u>1,106,379</u>	<u>786,783</u>
Deficiency of revenues under expenditures . . . . .	<u>(891,362)</u>	<u>(951,362)</u>	<u>(701,332)</u>	<u>250,030</u>
<b>Other financing sources (uses):</b>				
Proceeds from the sale of capital assets . . . . .	100	125,870	123,136	(2,734)
Transfers in . . . . .	175,426	175,426	175,426	-
Transfers out . . . . .	(50,000)	(50,000)	(50,000)	-
<b>Total other financing sources (uses) . . . . .</b>	<u>125,526</u>	<u>251,296</u>	<u>248,562</u>	<u>(2,734)</u>
Net change in fund balance . . . . .	(765,836)	(700,066)	(452,770)	247,296
<b>Fund balance at beginning of year . . . . .</b>	151,194	151,194	151,194	-
<b>Prior year encumbrances appropriated . . . . .</b>	619,190	619,190	619,190	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 4,548</u>	<u>\$ 70,318</u>	<u>\$ 317,614</u>	<u>\$ 247,296</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 INDIGENT DRIVERS ALCOHOL TREATMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 42,000	\$ 42,000	\$ 39,964	\$ (2,036)
Total revenues . . . . .	<u>42,000</u>	<u>42,000</u>	<u>39,964</u>	<u>(2,036)</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Other . . . . .	<u>359,930</u>	<u>359,930</u>	<u>41,117</u>	<u>318,813</u>
Total expenditures . . . . .	<u>359,930</u>	<u>359,930</u>	<u>41,117</u>	<u>318,813</u>
Net change in fund balance . . . . .	(317,930)	(317,930)	(1,153)	316,777
<b>Fund balance at beginning of year . . . . .</b>	<u>317,930</u>	<u>317,930</u>	<u>317,930</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 316,777</u>	<u>\$ 316,777</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COURT COMPUTERIZATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 395,000	\$ 395,000	\$ 333,169	\$ (61,831)
Other . . . . .	1,000	1,000	7	(993)
Total revenues . . . . .	<u>396,000</u>	<u>396,000</u>	<u>333,176</u>	<u>(62,824)</u>
<b>Expenditures:</b>				
Current:				
General government				
Personal services . . . . .	37,773	38,873	38,862	11
Materials and supplies . . . . .	93,343	92,243	69,576	22,667
Contractual services . . . . .	<u>215,322</u>	<u>215,322</u>	<u>54,725</u>	<u>160,597</u>
Total expenditures . . . . .	<u>346,438</u>	<u>346,438</u>	<u>163,163</u>	<u>183,275</u>
Excess of revenues over expenditures . . . . .	<u>49,562</u>	<u>49,562</u>	<u>170,013</u>	<u>120,451</u>
<b>Other financing uses:</b>				
Transfers out . . . . .	<u>(208,066)</u>	<u>(208,066)</u>	<u>(208,066)</u>	<u>-</u>
Total other financing uses . . . . .	<u>(208,066)</u>	<u>(208,066)</u>	<u>(208,066)</u>	<u>-</u>
Net change in fund balance . . . . .	(158,504)	(158,504)	(38,053)	120,451
<b>Fund balance at beginning of year . . . . .</b>	117,609	117,609	117,609	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>40,895</u>	<u>40,895</u>	<u>40,895</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 120,451</u>	<u>\$ 120,451</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 LOCAL LAW ENFORCEMENT BLOCK GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income . . . . .	\$ 5,000	\$ 5,000	\$ 5,804	\$ 804
Other . . . . .	500	500	-	(500)
Total revenues . . . . .	<u>5,500</u>	<u>5,500</u>	<u>5,804</u>	<u>304</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Capital outlay . . . . .	182,285	172,285	149,658	22,627
Other . . . . .	55,000	65,000	36,291	28,709
Total expenditures . . . . .	<u>237,285</u>	<u>237,285</u>	<u>185,949</u>	<u>51,336</u>
Deficiency of revenues under expenditures . . . . .	<u>(231,785)</u>	<u>(231,785)</u>	<u>(180,145)</u>	<u>51,640</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	16,378	16,378	16,378	-
Total other financing sources . . . . .	<u>16,378</u>	<u>16,378</u>	<u>16,378</u>	<u>-</u>
Net change in fund balance . . . . .	(215,407)	(215,407)	(163,767)	51,640
<b>Fund balance at beginning of year . . . . .</b>	193,331	193,331	193,331	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>22,076</u>	<u>22,076</u>	<u>22,076</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,640</u>	<u>\$ 51,640</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Licenses, permits and fees . . . . .	\$ -	\$ 13,322	\$ 8,500	\$ (4,822)
Intergovernmental . . . . .	1,432,987	1,618,028	1,186,784	(431,244)
Other . . . . .	1,000	161,196	105,290	(55,906)
<b>Total revenues . . . . .</b>	<b>1,433,987</b>	<b>1,792,546</b>	<b>1,300,574</b>	<b>(491,972)</b>
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services . . . . .	68,465	68,465	56,755	11,710
Materials and supplies . . . . .	71,168	131,266	74,275	56,991
Contractual services . . . . .	233,754	194,430	194,207	223
Capital outlay . . . . .	176,824	210,148	210,143	5
Other . . . . .	82,120	97,745	40,703	57,042
<b>Total public safety . . . . .</b>	<b>632,331</b>	<b>702,054</b>	<b>576,083</b>	<b>125,971</b>
Public health and welfare				
Personal services . . . . .	66,223	67,528	67,495	33
Materials and supplies . . . . .	26,832	26,827	23,465	3,362
Capital outlay . . . . .	1,500	1,500	-	1,500
<b>Total public health and welfare . . . . .</b>	<b>94,555</b>	<b>95,855</b>	<b>90,960</b>	<b>4,895</b>
General government				
Personal services . . . . .	107,520	164,411	141,792	22,619
Materials and supplies . . . . .	16,581	17,871	9,682	8,189
Contractual services . . . . .	21,785	57,658	48,525	9,133
<b>Total general government . . . . .</b>	<b>145,886</b>	<b>239,940</b>	<b>199,999</b>	<b>39,941</b>
Capital outlay				
Contractual services . . . . .	495,868	711,318	678,196	33,122
<b>Total capital outlay . . . . .</b>	<b>495,868</b>	<b>711,318</b>	<b>678,196</b>	<b>33,122</b>
<b>Total expenditures . . . . .</b>	<b>1,368,640</b>	<b>1,749,167</b>	<b>1,545,238</b>	<b>203,929</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	65,347	43,379	(244,664)	(288,043)
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	97,384	290,867	290,867	-
Transfers out . . . . .	(158,813)	(165,378)	(121,988)	43,390
<b>Total other financing sources (uses) . . . . .</b>	<b>(61,429)</b>	<b>125,489</b>	<b>168,879</b>	<b>43,390</b>
<b>Net change in fund balance . . . . .</b>	<b>3,918</b>	<b>168,868</b>	<b>(75,785)</b>	<b>(244,653)</b>
<b>Fund balance at beginning of year . . . . .</b>	<b>53,086</b>	<b>53,086</b>	<b>53,086</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>29,973</b>	<b>29,973</b>	<b>29,973</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 86,977</b>	<b>\$ 251,927</b>	<b>\$ 7,274</b>	<b>\$ (244,653)</b>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PROBATION SERVICES FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Licenses, permits and fees . . . . .	\$ 99,000	\$ 139,000	\$ 130,187	\$ (8,813)
Other . . . . .	1,000	2,700	2,681	(19)
Total revenues . . . . .	<u>100,000</u>	<u>141,700</u>	<u>132,868</u>	<u>(8,832)</u>
<b>Expenditures:</b>				
Current:				
General government				
Contractual services . . . . .	212,840	62,840	9,926	52,914
Total expenditures . . . . .	<u>212,840</u>	<u>62,840</u>	<u>9,926</u>	<u>52,914</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	(112,840)	78,860	122,942	44,082
<b>Other financing uses:</b>				
Transfers out . . . . .	-	(172,000)	(172,000)	-
Total other financing uses . . . . .	<u>-</u>	<u>(172,000)</u>	<u>(172,000)</u>	<u>-</u>
Net change in fund balance . . . . .	(112,840)	(93,140)	(49,058)	44,082
<b>Fund balance at beginning of year . . . . .</b>	112,744	112,744	112,744	-
<b>Prior year encumbrances appropriated . . . . .</b>	96	96	96	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ -</u>	<u>\$ 19,700</u>	<u>\$ 63,782</u>	<u>\$ 44,082</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COURT COSTS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Licenses, permits and fees . . . . .	\$ 260,000	\$ 260,000	\$ 249,745	\$ (10,255)
Total revenues . . . . .	<u>260,000</u>	<u>260,000</u>	<u>249,745</u>	<u>(10,255)</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	208,066	208,066	208,066	-
Transfers out . . . . .	<u>(1,303,085)</u>	<u>(1,303,085)</u>	<u>(1,292,830)</u>	<u>10,255</u>
Total other financing sources (uses) . . . . .	<u>(1,095,019)</u>	<u>(1,095,019)</u>	<u>(1,084,764)</u>	<u>10,255</u>
Net change in fund balance . . . . .	(835,019)	(835,019)	(835,019)	-
<b>Fund balance at beginning of year . . . . .</b>	<u>835,019</u>	<u>835,019</u>	<u>835,019</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 DEBT SERVICE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property and other local taxes . . . . .	\$ 65,700	\$ 65,700	\$ 8,147	\$ (57,553)
Special assessments . . . . .	<u>27,000</u>	<u>27,000</u>	<u>1,121</u>	<u>(25,879)</u>
Total revenues . . . . .	<u>92,700</u>	<u>92,700</u>	<u>9,268</u>	<u>(83,432)</u>
<b>Expenditures:</b>				
Debt service				
Principal retirement . . . . .	13,715,000	13,715,000	13,715,000	-
Interest and fiscal charges . . . . .	<u>984,341</u>	<u>984,341</u>	<u>984,203</u>	<u>138</u>
Total expenditures . . . . .	<u>14,699,341</u>	<u>14,699,341</u>	<u>14,699,203</u>	<u>138</u>
Deficiency of revenues under expenditures . . . . .	<u>(14,606,641)</u>	<u>(14,606,641)</u>	<u>(14,689,935)</u>	<u>(83,294)</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	<u>13,998,120</u>	<u>13,998,120</u>	<u>13,990,947</u>	<u>(7,173)</u>
Total other financing sources . . . . .	<u>13,998,120</u>	<u>13,998,120</u>	<u>13,990,947</u>	<u>(7,173)</u>
Net change in fund balance . . . . .	(608,521)	(608,521)	(698,988)	(90,467)
<b>Fund balance at beginning of year . . . . .</b>	<u>3,681,949</u>	<u>3,681,949</u>	<u>3,681,949</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 3,073,428</u>	<u>\$ 3,073,428</u>	<u>\$ 2,982,961</u>	<u>\$ (90,467)</u>



**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 STREET RESURFACING FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other . . . . .	\$ -	\$ 125,000	\$ 5,122	\$ (119,878)
Total revenues . . . . .	-	125,000	5,122	(119,878)
<b>Expenditures:</b>				
Capital outlay . . . . .	4,915,212	5,040,212	4,030,345	1,009,867
Total expenditures . . . . .	4,915,212	5,040,212	4,030,345	1,009,867
Deficiency of revenues under expenditures . . . . .	(4,915,212)	(4,915,212)	(4,025,223)	889,989
<b>Other financing sources:</b>				
Transfers in . . . . .	3,373,425	3,373,425	3,235,291	(138,134)
Total other financing sources . . . . .	3,373,425	3,373,425	3,235,291	(138,134)
Net change in fund balance . . . . .	(1,541,787)	(1,541,787)	(789,932)	751,855
<b>Fund balance at beginning of year . . . . .</b>	850,422	850,422	850,422	-
<b>Prior year encumbrances appropriated . . . . .</b>	727,854	727,854	727,854	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ 36,489</u>	<u>\$ 36,489</u>	<u>\$ 788,344</u>	<u>\$ 751,855</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 ISSUE II IMPROVEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 435,431	\$ 435,431	\$ 5,030	\$ (430,401)
Total revenues . . . . .	<u>435,431</u>	<u>435,431</u>	<u>5,030</u>	<u>(430,401)</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	<u>682,031</u>	<u>860,031</u>	<u>59,733</u>	<u>800,298</u>
Total expenditures . . . . .	<u>682,031</u>	<u>860,031</u>	<u>59,733</u>	<u>800,298</u>
Deficiency of revenues under expenditures . . . . .	<u>(246,600)</u>	<u>(424,600)</u>	<u>(54,703)</u>	<u>369,897</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	246,600	424,600	424,600	-
Transfers out . . . . .	<u>(19,635)</u>	<u>(19,635)</u>	<u>(19,635)</u>	<u>-</u>
Total other financing sources (uses) . . . . .	<u>226,965</u>	<u>404,965</u>	<u>404,965</u>	<u>-</u>
Net change in fund balance . . . . .	(19,635)	(19,635)	350,262	369,897
<b>Fund balance at beginning of year . . . . .</b>	<u>19,635</u>	<u>19,635</u>	<u>19,635</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 369,897</u>	<u>\$ 369,897</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 1998 IMPROVEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Other financing uses:</b>				
Transfers out . . . . .	\$ (17,731)	\$ (17,731)	\$ (17,731)	\$ -
Total other financing uses . . . . .	(17,731)	(17,731)	(17,731)	-
Net change in fund balance . . . . .	(17,731)	(17,731)	(17,731)	-
<b>Fund balance at beginning of year . . . . .</b>	<u>17,731</u>	<u>17,731</u>	<u>17,731</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SECTION 108 IMPROVEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income . . . . .	\$ 20,000	\$ 20,000	\$ 4,662	\$ (15,338)
Total revenues . . . . .	<u>20,000</u>	<u>20,000</u>	<u>4,662</u>	<u>(15,338)</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	<u>1,331,309</u>	<u>1,331,309</u>	<u>301,453</u>	<u>1,029,856</u>
Total expenditures . . . . .	<u>1,331,309</u>	<u>1,331,309</u>	<u>301,453</u>	<u>1,029,856</u>
Net change in fund balance . . . . .	(1,311,309)	(1,311,309)	(296,791)	1,014,518
<b>Fund balance at beginning of year . . . . .</b>	1,448,809	1,448,809	1,448,809	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>35,109</u>	<u>35,109</u>	<u>35,109</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 172,609</u>	<u>\$ 172,609</u>	<u>\$ 1,187,127</u>	<u>\$ 1,014,518</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 AIRPORT OPERATING FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 170,500	\$ 170,800	\$ 161,804	\$ (8,996)
Other . . . . .	1,900	1,600	1,404	(196)
Total revenues . . . . .	<u>172,400</u>	<u>172,400</u>	<u>163,208</u>	<u>(9,192)</u>
<b>Expenses:</b>				
Personal services . . . . .	208,748	208,748	200,578	8,170
Fringe benefits . . . . .	43,709	48,709	45,466	3,243
Materials and supplies . . . . .	30,553	30,553	26,250	4,303
Contractual services . . . . .	19,411	19,411	19,411	-
Utilities . . . . .	63,474	63,474	63,228	246
Other . . . . .	40,500	40,500	26,173	14,327
Total expenses . . . . .	<u>406,395</u>	<u>411,395</u>	<u>381,106</u>	<u>30,289</u>
Deficiency of revenues under expenses . . . . .	<u>(233,995)</u>	<u>(238,995)</u>	<u>(217,898)</u>	<u>21,097</u>
Transfers in . . . . .	263,410	263,410	263,410	-
Transfers out . . . . .	<u>(77,331)</u>	<u>(77,331)</u>	<u>(77,331)</u>	<u>-</u>
Net change in fund equity . . . . .	(47,916)	(52,916)	(31,819)	21,097
<b>Fund equity at beginning of year . . . . .</b>	69,058	69,058	69,058	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>27,763</u>	<u>27,763</u>	<u>27,763</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 48,905</u>	<u>\$ 43,905</u>	<u>\$ 65,002</u>	<u>\$ 21,097</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PARKING GARAGE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 50,000	\$ 50,000	\$ 44,046	\$ (5,954)
Total revenues . . . . .	<u>50,000</u>	<u>50,000</u>	<u>44,046</u>	<u>(5,954)</u>
<b>Expenses:</b>				
Contractual services . . . . .	93,749	93,749	28,571	65,178
Total expenses . . . . .	<u>93,749</u>	<u>93,749</u>	<u>28,571</u>	<u>65,178</u>
Excess (deficiency) of revenues over (under) expenses . . . . .	<u>(43,749)</u>	<u>(43,749)</u>	<u>15,475</u>	<u>59,224</u>
Transfers out . . . . .	<u>(18,404)</u>	<u>(18,404)</u>	<u>(18,404)</u>	<u>-</u>
Net change in fund equity . . . . .	<u>(62,153)</u>	<u>(62,153)</u>	<u>(2,929)</u>	<u>59,224</u>
<b>Fund equity at beginning of year . . . . .</b>	<u>33,597</u>	<u>33,597</u>	<u>33,597</u>	<u>-</u>
<b>Prior year encumbrances appropriated . . . . .</b>	<u>28,556</u>	<u>28,556</u>	<u>28,556</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,224</u>	<u>\$ 59,224</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GARAGE OPERATING FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other . . . . .	\$ 1,100	\$ 1,100	\$ 1,480	\$ 380
Total revenues . . . . .	<u>1,100</u>	<u>1,100</u>	<u>1,480</u>	<u>380</u>
<b>Expenses:</b>				
Personal services . . . . .	361,500	343,437	343,437	-
Fringe benefits . . . . .	89,509	86,917	85,638	1,279
Materials and supplies . . . . .	638,272	674,027	673,013	1,014
Contractual services . . . . .	62,924	37,924	37,924	-
Utilities . . . . .	60,000	70,000	70,000	-
Capital outlay . . . . .	447,365	447,365	71,198	376,167
Other . . . . .	100	-	-	-
Total expenses . . . . .	<u>1,659,670</u>	<u>1,659,670</u>	<u>1,281,210</u>	<u>378,460</u>
Deficiency of revenues under expenses . . . . .	<u>(1,658,570)</u>	<u>(1,658,570)</u>	<u>(1,279,730)</u>	<u>378,840</u>
Transfers in . . . . .	1,322,429	1,322,429	1,319,404	(3,025)
Transfers out . . . . .	<u>(155,314)</u>	<u>(155,314)</u>	<u>(155,314)</u>	<u>-</u>
Net change in fund equity . . . . .	(491,455)	(491,455)	(115,640)	375,815
<b>Fund equity at beginning of year . . . . .</b>	336,058	336,058	336,058	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>155,397</u>	<u>155,397</u>	<u>155,397</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 375,815</u>	<u>\$ 375,815</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 DATA PROCESSING FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other . . . . .	\$ -	\$ -	\$ 941	\$ 941
Total revenues . . . . .	-	-	941	941
<b>Expenses:</b>				
Personal services . . . . .	193,600	194,100	194,015	85
Fringe benefits . . . . .	30,997	35,812	35,812	-
Materials and supplies . . . . .	40,700	38,500	38,495	5
Contractual services . . . . .	257,263	267,471	267,470	1
Capital outlay . . . . .	50,000	37,511	37,511	-
Other . . . . .	1,000	166	-	166
Total expenses . . . . .	573,560	573,560	573,303	257
Deficiency of revenues under expenses . . . . .	(573,560)	(573,560)	(572,362)	1,198
Transfers in . . . . .	625,902	625,902	625,902	-
Transfers out . . . . .	(66,008)	(66,008)	(66,008)	-
Net change in fund equity . . . . .	(13,666)	(13,666)	(12,468)	1,198
<b>Fund equity at beginning of year . . . . .</b>	9,903	9,903	9,903	-
<b>Prior year encumbrances appropriated . . . . .</b>	3,763	3,763	3,763	-
<b>Fund equity at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,198</u>	<u>\$ 1,198</u>



**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 UTILITY COLLECTIONS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other . . . . .	\$ 2,600	\$ 2,600	\$ 3,915	\$ 1,315
Total revenues. . . . .	<u>2,600</u>	<u>2,600</u>	<u>3,915</u>	<u>1,315</u>
<b>Expenses:</b>				
Personal services. . . . .	623,485	604,590	604,024	566
Fringe benefits. . . . .	144,875	150,875	140,405	10,470
Materials and supplies . . . . .	206,230	219,125	219,125	-
Contractual services . . . . .	<u>20,000</u>	<u>20,000</u>	<u>18,861</u>	<u>1,139</u>
Total expenses . . . . .	<u>994,590</u>	<u>994,590</u>	<u>982,415</u>	<u>12,175</u>
Deficiency of revenues under expenses . . . . .	<u>(991,990)</u>	<u>(991,990)</u>	<u>(978,500)</u>	<u>13,490</u>
Transfers in . . . . .	1,278,778	1,278,778	1,278,778	-
Transfers out . . . . .	<u>(334,100)</u>	<u>(334,100)</u>	<u>(334,100)</u>	<u>-</u>
Net change in fund equity . . . . .	(47,312)	(47,312)	(33,822)	13,490
<b>Fund equity at beginning of year . . . . .</b>	44,825	44,825	44,825	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>2,590</u>	<u>2,590</u>	<u>2,590</u>	<u>-</u>
<b>Fund equity at end of year. . . . .</b>	<u>\$ 103</u>	<u>\$ 103</u>	<u>\$ 13,593</u>	<u>\$ 13,490</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 HEALTH INSURANCE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other . . . . .	\$ 355,110	\$ 421,849	\$ 441,607	\$ 19,758
Total revenues. . . . .	<u>355,110</u>	<u>421,849</u>	<u>441,607</u>	<u>19,758</u>
<b>Expenses:</b>				
Contractual services . . . . .	4,810,001	5,849,710	5,849,710	-
Total expenses . . . . .	<u>4,810,001</u>	<u>5,849,710</u>	<u>5,849,710</u>	<u>-</u>
Deficiency of revenues under expenses . . . . .	<u>(4,454,891)</u>	<u>(5,427,861)</u>	<u>(5,408,103)</u>	<u>19,758</u>
Transfers in . . . . .	4,913,255	5,893,255	5,893,255	-
Transfers out . . . . .	<u>(600,000)</u>	<u>(600,000)</u>	<u>(600,000)</u>	<u>-</u>
Net change in fund equity . . . . .	(141,636)	(134,606)	(114,848)	19,758
<b>Fund equity at beginning of year . . . . .</b>	<u>141,636</u>	<u>141,636</u>	<u>141,636</u>	<u>-</u>
<b>Fund equity at end of year. . . . .</b>	<u>\$ -</u>	<u>\$ 7,030</u>	<u>\$ 26,788</u>	<u>\$ 19,758</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 OML SELF INSURANCE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenses:</b>				
Contractual services . . . . .	\$ 414,999	\$ 414,999	\$ 383,134	\$ 31,865
Total expenses . . . . .	414,999	414,999	383,134	31,865
Deficiency of revenues under expenses . . . . .	(414,999)	(414,999)	(383,134)	31,865
Transfers in . . . . .	414,999	414,999	414,999	-
Net change in fund equity . . . . .	-	-	31,865	31,865
<b>Fund equity at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,865</u>	<u>\$ 31,865</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 WORKERS COMPENSATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenses:</b>				
Contractual services . . . . .	\$ 465,000	\$ 465,000	\$ 380,862	\$ 84,138
Total expenses . . . . .	465,000	465,000	380,862	84,138
Deficiency of revenues under expenses . . . . .	(465,000)	(465,000)	(380,862)	84,138
Transfers in . . . . .	326,239	326,804	326,804	-
Net change in fund equity . . . . .	(138,761)	(138,196)	(54,058)	84,138
<b>Fund equity at beginning of year . . . . .</b>	<u>138,761</u>	<u>138,761</u>	<u>138,761</u>	<u>-</u>
<b>Fund equity at end of year. . . . .</b>	<u>\$ -</u>	<u>\$ 565</u>	<u>\$ 84,703</u>	<u>\$ 84,138</u>

## **Statistical Section**



## STATISTICAL SECTION

THE FOLLOWING UNAUDITED STATISTICAL TABLES  
REFLECT SOCIAL AND ECONOMIC DATA, FINANCIAL TRENDS, AND  
FISCAL CAPACITY OF THE CITY

**CITY OF MANSFIELD, OHIO**

GENERAL GOVERNMENT EXPENDITURES BY FUNCTION  
LAST TEN YEARS (1)  
(AMOUNTS IN 000'S)

	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Public Safety	\$ 981	\$ 668	\$ 794	\$ 884	\$ 902	\$ 1,119	\$ 1,120	\$ 1,262	\$ 1,061	\$ 928
Public Health and Welfare	28	28	28	29	28	28	30	30	30	59
Leisure Time Activities	800	883	831	862	841	968	1,064	1,012	836	528
Community Environment	413	438	485	463	511	582	545	595	553	467
General Government	<u>5,508</u>	<u>6,506</u>	<u>6,086</u>	<u>6,663</u>	<u>6,592</u>	<u>7,786</u>	<u>7,999</u>	<u>8,347</u>	<u>7,844</u>	<u>6,274</u>
Total	<u>\$ 7,730</u>	<u>\$ 8,523</u>	<u>\$ 8,224</u>	<u>\$ 8,901</u>	<u>\$ 8,874</u>	<u>\$ 10,483</u>	<u>\$ 10,758</u>	<u>\$ 11,246</u>	<u>\$ 10,324</u>	<u>\$ 8,256</u>

(1) Includes only the general fund.

Source: Finance Department; City of Mansfield, Ohio



**CITY OF MANSFIELD, OHIO**

GENERAL GOVERNMENT REVENUES BY SOURCE  
LAST TEN YEARS (1)  
(AMOUNTS IN 000'S)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Property and Other Taxes	\$ 1,401	\$ 1,401	\$ 1,401	\$ 1,532	\$ 1,580	\$ 1,554	\$ 1,685	\$ 1,955	\$ 1,838	\$ 1,941
Municipal Income Taxes	547	596	224	892	445	457	430	446	951	395
Special Assessments	5	8	7	12	16	13	20	30	23	46
Intergovernmental	3,929	3,592	3,511	3,828	4,883	4,799	5,418	4,754	4,283	4,516
Charges for Services	73	57	46	43	32	44	40	40	43	36
Licenses, Permits and Fees	349	325	362	348	415	475	419	419	406	456
Fines and Forfeitures	1,665	1,672	1,494	1,520	1,588	1,495	1,532	1,543	1,515	1,375
Investment Income	820	1,190	1,099	1,085	1,151	991	1,785	1,034	606	446
Other	55	5	35	58	43	89	83	40	190	161
<b>Total</b>	<b>\$ 8,844</b>	<b>\$ 8,846</b>	<b>\$ 8,179</b>	<b>\$ 9,318</b>	<b>\$ 10,153</b>	<b>\$ 9,917</b>	<b>\$ 11,412</b>	<b>\$ 10,261</b>	<b>\$ 9,855</b>	<b>\$ 9,372</b>

(1) Includes only the general fund.

Source: Finance Department; City of Mansfield, Ohio

**CITY OF MANSFIELD, OHIO**

**REAL PROPERTY TAXES - BILLED AND COLLECTED  
LAST TEN YEARS**

<u>Collection Year</u>	<u>Billed (1)</u>	<u>Collected (2)</u>	<u>% Collected</u>	<u>Delinquent</u>	
				<u>Current</u>	<u>Accumulated</u>
2003	\$ 1,900,247	\$ 1,715,056	90.2%	\$ 262,544	\$ 2,057,345
2002 (3)	1,868,997	1,636,801	87.5%	243,604	1,794,801
2001	2,671,096	2,634,667	98.6%	316,140	1,551,197
2000	2,709,006	2,649,291	97.8%	251,848	1,514,768
1999	2,277,372	2,572,404	112.9%	412,503	1,455,053
1998	2,337,323	2,337,330	100.0%	105,217	1,101,247
1997	2,313,875	2,131,475	92.1%	206,922	1,141,254
1996	2,257,715	2,182,732	96.7%	183,992	958,854
1995	2,300,180	2,293,825	99.7%	243,319	857,852
1994	2,397,775	2,147,726	89.6%	243,315	714,540

(1) "Billed" includes collection of current charges, plus current and delinquent additions less current and delinquent abatements.

(2) "Collected" includes collections of current "billed" and delinquencies.

(3) The collection for voted tax levies was completed in 2001. This caused a decrease in collections for 2002.

Source: Richland County Auditor

Note: Amounts collected include state shared taxes provided to the City to offset legislatively granted property tax reductions. These amounts have been classified as intergovernmental revenues on the financial statements.

**CITY OF MANSFIELD, OHIO**

**TANGIBLE PERSONAL PROPERTY TAXES - BILLED AND COLLECTED  
LAST TEN YEARS**

<u>Collection Year</u>	<u>Billed</u>	<u>Collected (1)</u>	<u>% Collected</u>	<u>Delinquent</u>	
				<u>Current</u>	<u>Accumulated</u>
2003	\$ 429,084	\$ 421,587	98.2%	\$ 7,497	\$ 127,004
2002 (2)	435,686	427,099	98.0%	8,587	119,507
2001	454,467	446,200	98.2%	8,267	110,290
2000	633,510	615,018	97.0%	18,492	102,023
1999	614,053	579,394	94.4%	34,658	83,351
1998	558,658	534,485	95.7%	36,688	48,692
1997	548,516	566,082	103.2%	34,717	59,236
1996	514,259	510,123	99.2%	4,403	42,085
1995	425,264	417,658	98.2%	7,606	36,224
1994	444,827	445,106	100.0%	9,585	77,955

(1) "Collected" includes only those relating to current billings.

(2) The collection for voted tax levies was completed in 2001. This caused a decrease in collections for 2002.

Source: Richland County Auditor

**CITY OF MANSFIELD, OHIO**

**ASSESSED VALUE AND ESTIMATED TRUE VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS**

Year	Real Property		Personal Property (1)	
	Assessed	Estimated Actual	Assessed	Estimated Actual
2003	\$ 547,450,210	\$ 1,564,143,457	\$ 135,796,578	\$ 565,819,075
2002 (3)	516,602,240	1,474,320,690	135,757,108	543,028,432
2001	508,185,870	1,451,959,430	132,414,802	529,659,208
2000	512,865,440	1,465,329,830	138,798,968	555,195,870
1999 (4)	425,438,580	1,215,538,800	123,722,561	494,890,244
1998	418,068,420	1,194,481,200	124,742,880	498,971,520
1997	412,653,410	1,179,009,743	103,856,310	415,425,240
1996 (3)	389,147,450	1,111,849,857	87,458,330	349,833,320
1995	386,054,030	1,103,011,514	86,120,223	344,480,892
1994	388,316,800	1,109,476,571	85,498,291	341,993,164

(1) Other than public utility.

(2) Real and tangible personal.

(3) Update Year

(4) Reappraisal Year

Source: Richland County Auditor

Public Utility (2)		Totals		Assessed Value as a percent of Estimated Actual Value
Assessed	Estimated Actual	Assessed	Estimated Actual	
\$ 22,535,120	\$ 64,386,057	\$ 705,781,908	\$ 2,194,348,589	32.16%
22,651,870	64,719,630	675,011,218	2,082,068,752	32.42%
29,414,430	84,041,230	670,015,102	2,065,659,868	32.44%
32,355,880	92,445,400	684,020,288	2,112,971,100	32.37%
31,699,550	90,570,143	580,860,691	1,800,999,187	32.25%
34,050,070	97,285,914	576,861,370	1,790,738,634	32.21%
35,051,420	100,146,914	551,561,140	1,694,581,897	32.55%
36,865,250	105,329,286	513,471,030	1,567,012,463	32.77%
39,941,590	114,118,829	512,115,843	1,561,611,235	32.79%
39,019,940	111,485,543	512,835,031	1,562,955,278	32.81%

**CITY OF MANSFIELD, OHIO**

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
(PER \$1,000 OF ASSESSED VALUATION)  
LAST TEN YEARS (1)

Collection Year	Operating (3)	Police and Fire Pension	Debt Retirement (2)	City of Mansfield	Richland County	Mansfield City School District	Total
2003	\$ 3.00	\$ 0.60	\$ -	\$ 3.60	\$ 9.00	\$ 66.15	\$ 78.75
2002	3.00	0.60	-	3.60	9.00	66.15	78.75
2001	3.00	0.60	1.50	5.10	9.00	66.15	80.25
2000	3.00	0.60	1.50	5.10	9.00	66.15	80.25
1999	3.00	0.60	1.50	5.10	9.00	66.15	80.25
1998	3.00	0.60	1.50	5.10	11.00	59.05	75.15
1997	3.00	0.60	1.70	5.30	11.00	59.35	75.65
1996	3.00	0.60	1.70	5.30	11.00	60.15	76.45
1995	3.00	0.60	1.80	5.40	8.50	59.95	73.85
1994	3.00	0.60	2.00	5.60	8.50	59.75	73.85

(1) The above are the rates for recent years at which the City and the overlapping taxing subdivisions levied ad valorem property taxes in that area of the City having the highest overlapping tax rate.

(2) The voted tax levies for "Debt Retirement" continue for the life of the bonds authorized by the electors, in annual amounts sufficient to pay debt service on those bonds as they become due.

(3) Includes Mansfield Township portion.

Source: Richland County Auditor

**CITY OF MANSFIELD, OHIO**  
**SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS**  
**LAST TEN YEARS**

Collection Year	Billed	Collected (1)	Percent Collected	Accumulated Delinquent
2003	\$ 132,315	\$ 61,697	47%	\$ 615,175
2002	109,960	66,195	60%	632,062
2001	119,085	85,266	72%	588,297
2000	85,800	67,600	79%	554,478
1999	80,410	65,350	81%	536,278
1998	148,265	98,550	66%	521,218
1997	101,770	88,486	87%	471,476
1996	97,519	94,942	97%	458,192
1995	115,151	109,824	95%	455,615
1994	118,472	103,458	87%	450,288

(1) Collected includes collections of current "billed" and delinquencies.

Source: Richland County Auditor

**CITY OF MANSFIELD, OHIO**

RATIO OF NET GENERAL OBLIGATION BONDED DEBT  
TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA  
LAST TEN YEARS  
(DOLLAR AMOUNTS IN 000'S)

Year	Population (1)	Assessed Value (3)	Gross General Obligation Bonded Debt (2,4)	Less Debt Service Fund Balance (4)	Less Debt Payable from Enterprise Revenues
2003	51,600	\$ 705,782	\$ 11,090	\$ 2,987	\$ 3,380
2002	51,600	675,011	12,200	3,687	3,650
2001	51,600	670,015	5,920	3,508	3,910
2000	51,600	684,020	6,955	2,946	4,230
7 1999	50,627	580,860	8,030	1,938	4,893
1998	50,627	576,861	9,230	2,497	5,287
1997	50,627	551,561	10,295	2,369	5,300
1996	50,627	513,471	11,405	2,226	5,710
1995	50,627	512,116	12,560	2,018	6,110
1994	50,627	512,835	13,760	1,699	6,580

(1) Source: U.S. Census Bureau, Census 2000

(2) Includes general obligation bonds supported by enterprise activities because they are backed by the full faith and credit of the City.

(3) Source: Richland County Auditor

(4) Source: City of Mansfield, Ohio; Finance Department

(5) The net general obligation bonded debt is a negative amount because too much tax revenue was collected by the County and given to the City. This inflated the Debt Service Fund Balance.



Less Debt Payable from Municipal Income Taxes	Net General Obligation Bonded Debt	Ratio of Net General Bonded Debt to Assessed Value	Net General Bonded Debt Per Capita
\$ -	\$ 4,723	0.67%	\$ 91.53
-	4,863	0.72%	94.24
-	(1,498) (5)	0.00%	-
-	(221) (5)	0.00%	-
-	1,199	0.21%	23.68
-	1,446	0.25%	28.56
-	2,626	0.48%	51.87
-	3,469	0.68%	68.52
-	4,432	0.87%	87.54
-	5,481	1.07%	108.26

**CITY OF MANSFIELD, OHIO**

**COMPUTATION OF LEGAL DEBT MARGIN  
UNVOTED DEBT LIMIT (5 1/2%)  
AT DECEMBER 31, 2003**

**COMPUTATION OF UNVOTED LEGAL DEBT MARGIN**

Assessed Value		<u>\$ 705,781,908</u>
Unvoted Debt Limitation 5 1/2 Percent of Assessed Valuation		38,818,005
Total Unvoted Debt Outstanding at December 31, 2003	\$ 10,118,268	
Less: Exempt Debt Unvoted General Obligation Bonds to be paid from Water system revenues	(3,380,000)	
Unvoted General Obligation Bonds issued in anticipation of the collection of Special Assessments	<u>(3,268)</u>	
Debt Within 5 1/2 Percent Limitation	6,735,000	
Less: Debt Service Fund Balance	<u>(2,987,309)</u>	
Net Debt Subject to 5 1/2 Percent Limitation		<u>3,747,691</u>
Legal Debt Margin Within 5 1/2 Percent Limitation		<u>\$ 35,070,314</u>

Source: City of Mansfield, Ohio; Finance Department

**CITY OF MANSFIELD, OHIO**

**COMPUTATION OF LEGAL DEBT MARGIN  
VOTED AND UNVOTED DEBT LIMIT (10 1/2%)  
AT DECEMBER 31, 2003**

**COMPUTATION OF OVERALL LEGAL DEBT MARGIN**

Assessed Value		<u>\$ 705,781,908</u>
Overall Debt Limitation 10 1/2 Percent of Assessed Valuation		74,107,100
Total Voted and Unvoted Debt Outstanding at December 31, 2003	\$ 11,093,268	
Less: Exempt Debt Unvoted General Obligation Bonds to be paid from Water system revenues	(3,380,000)	
Unvoted General Obligation Bonds issued in anticipation of the collection of Special Assessments	<u>(3,268)</u>	
Debt Within 10 1/2 Percent Limitation	7,710,000	
Less: Debt Service Fund Balance	<u>(2,987,309)</u>	
Net Debt Subject to 10 1/2 Percent Limitation		<u>4,722,691</u>
Legal Debt Margin Within 10 1/2 Percent Limitation		<u>\$ 69,384,409</u>

Source: City of Mansfield, Ohio; Finance Department

**CITY OF MANSFIELD, OHIO**

COMPUTATION OF DIRECT AND OVERLAPPING  
GENERAL OBLIGATION BONDED DEBT  
DECEMBER 31, 2003

<u>Political Subdivision</u>	<u>Amount of Debt</u>	<u>Percent Applicable to City (2)</u>	<u>City's Share</u>
Direct:			
City of Mansfield	\$ 4,723,000	100.00%	\$ 4,723,000
Overlapping Debt:			
Richland County	26,339,769 (1)	34.02%	8,960,789
Mansfield City School District	20,719,801 (1)	68.45%	14,182,704
Crestview Local School District	4,959,617 (1)	13.04%	646,734
Lexington Local School District	435,000 (1)	43.18%	187,833
Madison Local School District	945,000 (1)	52.58%	496,881
Ontario Local School District	18,299,984 (1)	47.79%	8,745,562
Pioneer Career and Technology Center	675,000 (1)	33.88%	228,690
Mansfield-Richland County Library	<u>1,300,000 (1)</u>	39.07%	<u>507,910</u>
 Total Direct and Overlapping Debt	 <u>\$ 78,397,171</u>		 <u>\$ 38,680,104</u>

(1) Source: Richland County Auditor. Amount of debt does not include any balances in debt service funds of the City.

(2) Calculated by total valuation in respective taxing districts compared to total City valuation.

**CITY OF MANSFIELD, OHIO**

RATIO OF ANNUAL DEBT PRINCIPAL AND INTEREST EXPENDITURES  
FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL  
GENERAL GOVERNMENTAL EXPENDITURES  
LAST TEN YEARS (1)

Year	Principal	Interest and Fiscal Charges	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Expenditures
2003	\$ 840,000	\$ 408,648	\$ 1,248,648	\$ 8,256,114	15.12%
2002	525,000	77,310	602,310	10,323,950	5.83%
2001	715,000	108,475	823,475	11,246,487	7.32%
2000	720,000	138,790	858,790	10,757,675	7.98%
1999	855,000	187,970	1,042,970	10,482,912	9.95%
1998	525,000	194,765	719,765	8,873,861	8.11% (2)
1997	765,000	379,085	1,144,085	8,900,721	12.85%
1996	745,000	425,525	1,170,525	8,224,979	14.23%
1995	730,000	470,150	1,200,150	8,522,943	14.08%
1994	720,000	513,339	1,233,339	7,729,715	15.96%

(1) General bonded debt expenditures in this table refers only to principal and interest for general obligation debt paid from the debt service fund and not general obligation debt paid from special assessments or enterprise funds.

(2) The principal and interest for general obligation debt paid from the debt service fund is lower because 1987 Sewer Treatment Plant improvement bonds were retired as of November 1998.

Source: City of Mansfield, Ohio; Finance Department

**CITY OF MANSFIELD, OHIO**

GENERAL OBLIGATION AND REVENUE BOND COVERAGE  
WATER AND SEWER BONDS  
LAST TEN YEARS

Year	Operating Revenue	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (1)			Coverage %
				Principal	Interest	Total	
<u>Water</u>							
2003	\$ 7,439,411	\$ 6,573,158	\$ 866,253	\$ 270,000	\$ 207,633	\$ 477,633	1.81
2002	6,120,456	5,954,985	165,471	260,000	220,525	480,525	0.34
2001	6,764,421	5,493,767	1,270,654	245,000	232,340	477,340	2.66
2000	6,691,283	5,260,934	1,430,349	230,000	249,810	479,810	2.98
1999	6,071,535	4,889,865	1,181,670	250,000	272,340	522,340	2.26
1998	5,795,163	4,149,921	1,645,242	240,000	283,098	523,098	3.15
1997	5,584,303	4,691,555	892,748	255,000	294,385	549,385	1.62
1996	5,335,803	4,047,749	1,288,054	245,000	304,798	549,798	2.34
1995	4,730,146	4,264,281	465,865	265,000	316,273	581,273	0.80
1994	4,197,367	3,123,984	1,073,383	260,000	326,838	586,838	1.83
<u>Sewer</u>							
2003	\$ 6,788,952	\$ 5,735,172	\$ 1,053,780	\$ -	\$ -	\$ -	-
2002	5,300,947	5,274,709	26,238	-	-	-	-
2001	5,302,102	5,457,321	(155,219)	75,000	4,031	79,031	-
2000	5,105,072	5,282,641	(177,569)	95,000	9,313	104,313	-
1999	5,178,065	4,356,216	821,849	95,000	14,594	109,594	7.50
1998	5,440,364	4,931,726	508,638	130,000	22,000	152,000	3.35
1997	4,929,424	4,567,078	362,346	155,000	30,719	185,719	1.95
1996	4,814,818	4,788,439	26,379	155,000	39,438	194,438	0.14
1995	4,752,243	4,538,698	213,545	205,000	51,531	256,531	0.83
1994	4,768,715	4,705,399	63,316	205,000	61,625	266,625	0.24

(1) Current year only.

(2) Net of depreciation expense.

Source: City of Mansfield, Ohio; Finance Department

**CITY OF MANSFIELD, OHIO**

DEMOGRAPHIC STATISTICS  
DECEMBER 31, 2003

<u>Population</u>				
<u>Year</u>	<u>City of Mansfield</u>	<u>Richland County</u>	<u>2000 Median Age</u>	
2000	51,600	128,852	Mansfield	36.4
1990	50,627	126,137	Richland	37.7
1980	53,927	131,205	Ohio	36.2
1970	55,047	129,997		
1960	47,325	117,761		

<u>Housing and Income Statistics</u>	<u>City of Mansfield</u>	<u>Richland County</u>	<u>State of Ohio</u>	
Total Housing Units	22,267	53,062	4,783,051	
Total year-round occupied units	20,182	49,534	4,445,773	
Owner occupied (Percent of total year-round)	57.6%	71.5%	69.1%	

Source: U.S. Bureau of Census, Census 2000

<u>Unemployment Rates</u>			
<u>Year</u>	<u>City of Mansfield</u>	<u>State of Ohio</u>	<u>United States</u>
2003	7.9%	6.2%	5.7%
2002	6.7%	5.2%	6.0%
2001	6.9%	4.5%	5.4%
2000	7.1%	4.1%	4.0%
1999	8.7%	4.2%	4.1%

Source: U.S. Bureau of Labor Services

**CITY OF MANSFIELD, OHIO**

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS  
LAST TEN YEARS

Year	Commercial Construction		Residential Construction		Bank Deposits (1,2)	Assessed Property Value (3)		
	Number of Units	Value	Number of Units	Value		Commercial/Industrial	Residential/Agriculture	Nontaxable
2003	99	\$ 12,163,425	111	\$ 11,199,171	\$ 861,673	\$ 164,463,110	\$ 382,987,000	\$ 159,429,790
2002	93	15,928,570	197	11,421,898	858,312	167,490,150	348,388,550	156,332,510
2001	97	51,410,100	107	9,210,255	828,782	161,299,780	346,749,920	153,733,650
2000	117	42,086,297	226	9,976,497	768,325	166,013,230	346,725,290	149,263,330
1999	392	43,048,998	186	6,840,548	774,137	166,140,150	346,725,290	149,263,330
1998	123	26,720,533	211	7,956,786	746,517	147,651,220	271,851,010	128,364,160
1997	129	27,117,882	200	6,651,672	685,174	148,358,570	269,709,850	126,303,570
1996	81	14,069,914	191	7,471,295	1,013,018	145,934,840	266,718,970	121,622,070
1995	110	17,229,910	193	6,047,133	882,161	145,697,990	243,449,460	117,278,470
1994	144	19,728,346	220	7,516,730	664,814	144,812,940	241,163,640	114,860,450

(1) Figures reflect totals for Richland County

(2) Source for bank deposits: Department of Data Services, Federal Reserve Bank of Cleveland, amounts in thousands.

(3) Source: Richland County Auditor



**CITY OF MANSFIELD, OHIO**

REAL AND TANGIBLE PERSONAL PROPERTY  
PRINCIPAL TAXPAYERS  
DECEMBER 31, 2003

Real: Excluding Public Utility

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
AK Steel Corporation	Steel and Steel Products	\$ 7,230,360	1.32%
Mansfield Square	Shopping Center	3,432,800	0.63%
Newman Technology	Manufacturing	3,124,830	0.57%
Cambridge Woodbridge	Condominiums	2,913,240	0.53%
Jay Industries	Manufacturing	1,975,800	0.36%
Gorman Rupp Company	Pumps and Pumping Units	1,814,870	0.33%
Morris B. Skilken	Shopping Center	1,796,130	0.33%
Therm-O-Disc	Thermostats	1,577,270	0.29%
Richland Bank	Bank	1,354,330	0.25%
Mansfield Motel	Motel	1,270,340	0.23%
Totals		<u>\$ 26,489,970</u>	<u>4.84%</u>

Tangible Personal: Excluding Public Utility

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Newman Technology	Manufacturing	\$ 23,490,230	17.30%
AK Steel Corporation	Steel and Steel Products	14,722,040	10.84%
Jay Industries	Manufacturing	9,078,290	6.69%
Gorman Rupp Company	Pumps and Pumping Units	8,708,070	6.41%
Therm-O-Disc	Thermostats	6,012,050	4.43%
Shiloh Corporation	Tool & Die	4,020,400	2.96%
Ideal Electric	Electric Motors, Generators	2,387,020	1.76%
Time Warner Entertainment	Cable Company	2,214,390	1.63%
Gannett Company Inc.	Newspaper/Publishing	2,027,570	1.49%
Graham Chevrolet Company	Car Dealership	1,712,290	1.26%
Totals		<u>\$ 74,372,350</u>	<u>54.77%</u>

Public Utility

<u>Name of Taxpayer</u>	<u>Nature of Utility</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Sprint	Telephones	\$ 8,706,030	38.63%
Ohio Edison	Electric	5,706,130	25.32%
American Transmissions	Electric	3,277,450	14.54%
Columbia Gas Company	Natural Gas	2,125,760	9.43%
Totals		<u>\$ 19,815,370</u>	<u>87.92%</u>

Source: Richland County Auditor

**CITY OF MANSFIELD, OHIO**

**MISCELLANEOUS STATISTICS  
DECEMBER 31, 2003**

Date of incorporation	1857
Form of government	Council/Mayor
Area - square miles	29.02
Miles of streets	295
Fire Protection:	
Number of stations	5
Number of sworn firemen	96
Police Protection:	
Number of stations	1
Number of sworn policemen	91
Municipal Water Department:	
Number of customers	20,152
Average daily consumption (gallons)	10,000,000
Miles of water mains	250
Municipal Sewage System:	
Miles of sanitary sewer	200
Mansfield Parks System:	
Number of parks	28
Area (number of acres)	435
Transportation:	
Air	
Number of airports	1
Land	
Number of trucking firms	16
Interstate bus lines	1
Local bus lines	1
Rail	
Number of railroad systems	2
Education (students)	
Ohio State University - Mansfield Branch	1,541
North Central State College	3,407



**Auditor of State  
Betty Montgomery**

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**CITY OF MANSFIELD**

**RICHLAND COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
OCTOBER 12, 2004**